Business Appraises Conference Results

LARGEST CIRCULATION OF ANY CANADIAN FINANCIAL PAPER

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The Nation's Business

Second Thoughts on a Notable Empire Event

Reasonable Are Final Results

New Tariff Policies for Canada Are Secondary Outcome

Reasonable Results Issue from Ottawa

PUBLIC comment on the trade treaties negotiated at Ottawa ranges all the way from enthusiastic and unenquiring acclaim to the bitter carping of commentators small in politics. Somewhere between the paeans and the jeremiads there lies a true estimate of the work of the conference, an estimate that must remain unwritten for some years yet.

Most notable achievement of the Ottawa Conference was to put the United Kingdom and the Dominions, particularly Canada, substantially on even terms as regards fiscal preferences after thirty-five years of one-sided generosity in tariff treatment. Great Britain came to the conference ready to barter a continuance of her Import Duties Act preferences for further concessions from the Dominions. Her delegates left Ottawa with a sober realization of the fact that the Dominions considered these preferences not a bargaining weapon in the hands of the British but merely a long delayed response to the actions of the Dominions themselves.

Finally, the principle has been established that, so far as it is possible, a measure of equality must be arrived at in tariff bargains between the United Kingdom and the Dominions. It has taken over a hundred years to reach this point in Imperial economic history.

* * *

ANOTHER notable policy has come out of the conference, one that may in future years loom very large in Imperial discussions. The germ of this policy is found in the assurance given by Canada that it will not attempt to foster uneconomic industries by tariff protection, and that in any event it will use the tariff against Great Britain merely to equalize competitive opportunities for sale in the Canadian market.

Apart from the fact that this gives to the British manufacturer a promise of fair treatment under the Canadian tariff it is important in Canada because of the bearing it has on what have been the most frequent causes of discontent with protection in Canada. The complaint has been insistent and continuous in many parts of Canada that our tariff has fostered inefficient industries; that it has been high to the degree of robbing consumers of more than the country as a whole has gained in a higher standard of living. In the case of more than one industry there has been some basis for the allegation. Exception has been made in the case of the so-called infant industries and this means that the age-old problem of what is an infant industry still remains with us. But the agreement provides ample scope for the adoption and application of the ideal protective tariff policy, which should go no further than giving industry a chance to develop at home without unfair competition from abroad but requiring it, once established and in control of the home market, to demonstrate such efficiency as will enable it to hold that home market without excessive prices to the consumer.

* * *

OBVIOUSLY no such policy can be established and maintained by a purely political body and the promise that Ottawa will at last restore to the country a tariff advisory board, means quite as much to the Canadian people as it does to the British exporter. But the new tariff board will be a more important institution than the previous one. The mere fact of having its reports made publicly to Parliament rather than privately to the minister of finance makes it a public fact-finding institution rather than an auxiliary aide to a minister of the crown. But by the same token it becomes the more necessary that the tariff board be removed as far as possible from partisan influences.

Tariff making is, practically, a job of responsible government. But fact-finding in relation to an established policy is a job for capable and independent minds. It may be taken for granted that if Prime Minister Bennett appoints three recognizable Conservatives to the tariff board that their resignations will be called for in the event of a change of government while if he

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GOODYEAR TIRE EARNINGS DOWN LIQUIDS BETTER

Gross Sales Decline 30 p.c.—Net Profit Down 63 p.c.

DIVIDEND SAFE

Cash and Bonds Higher at $6,100,000 — Improved Security Prices Aid Company

Operations of Goodyear Tire & Rubber Co. of Canada are understood to be substantially below the 1931 level with gross sales in the seven months ended July 31, 1932, some 30 per cent below the corresponding figure in the previous year. Domestic sales are down some 20 per cent. Reduction in sales has not been entirely off-set by reduction in operating costs and miscellaneous income has dropped slightly so that gross income of the company has declined by some 35 per cent and net profit after providing for income tax is some 62 per cent lower. Goodyear Cotton shows a small profit for the period but substantially lower than in 1931 and consolidated net profit of the company is down by 63 per cent.

Even with such substantial decreases the company has more than maintained its position in the Canadian rubber industry; retains an excellent liquid position and has continued provisions for adequate depreciation reserves. In 1931, the company earned $23.18 per share of preference stock outstanding on which dividends totalling $642,758 were paid in 1931 or at the rate of $8.75 per share. Without paying off any arrears on preferred stock, annual dividend payments amount to $514,206 and despite drastic decrease in business handled this year it would appear that the preferred dividend would be earned by a greatly reduced margin.

Bonds Move Up

At July 31, 1932, the company held some $875,000 in cash and bonds and call loans were carried at $5,225,000. Against this total of $6,100,000 of strictly liquid assets there was only $404,000 of current liabilities. At December 31, 1931, cash and bonds were carried at $5,800,000. The company carries a substantial volume of government bonds which are shown at cost or market, whichever is lower, and this investment will have appreciated to a considerable extent in the past six weeks due to strengthening of security prices. Despite some increase in plant and equipment account during the current year, fixed assets have been reduced to $6,500,000 after depreciation due to addition to this reserve during 1932.

Earnings of the parent company, in the United States, Goodyear Tire & Rubber Co. were sharply off in the first six months of 1932 and consolidated net profit amounted to only $50,509 after depreciation, interest, federal taxes and markdown to market prices of raw materials. This compares with net profit of $4,221,770 in the corresponding half of 1931. Consolidated net sales of the parent company dropped to $68,953,779 in the first six months of 1932 compared with $83,228,661 in 1931.

The Canadian company has recently been filling some orders from India after having been out of that market due to the Gandhi boycott which is breaking down. Other export business continues on a lower level than in previous years but there are some faint signs of improvement which may not fully materialize before early in 1933. Domestic business usually falls off toward the end of the year.

Highlights of the Week

Events and Topics That Make Articles for The Financial Post This Week

Lagging Behind

If business has turned for the better there is no indication of it in the July index which dropped although the stock market rose. Page 7.

Parley Results

A careful analysis of the different agreements arrived at during the Ottawa conference has been made from the business standpoint and is the subject of several articles on pages 1, 2, 9 and 10. They give a comprehensive summary of the results of this big parley.

Millions in Cents

With commodity prices strengthening and the British market becoming a preserve for Empire copper, zinc and lead, prospects brighten for the base metal mines. The mining editor figures out what each cent advance in the metal prices means to each of the big mines. Page 1.

Lot Pedlars

Many and varied are the schemes now adopted by unscrupulous real estate promoters to sell lots at inflated prices to uninformed investors. An expose of some current schemes. Page 11.

Teck Hughes

Investors call upon directors to issue official statements in regard to scare stories now being published. Page 16.

Canal Example

Canadian cargo pays $3,500,000 in annual tolls to U. S.-owned Panama Canal but U. S. cargo uses Canadian canals free. Some startling facts about our policy of free canals. Page 3.

Mining Pioneer

All the years of Canada's modern mining development are spanned by the working life of J. B. Tyrrell. Second sketch in series on Canada's men who are making mining history in Canada. Page 16.

Ottawa Is Asked To Market All Wheat and Support Prices

Western Wheat Pools Again Demand Government Hold Bag — Dominion Cabinet Expected to Shy Away from Proposals from Western Pools

From Our Own Correspondent

OTTAWA—With representatives of the Western wheat pools in Ottawa, the drive for a Canadian wheat board to take over the present carryover, as well as the new crop and to market it under state direction reached its maximum force midweek. In addition to representatives of wheat pools, John I. McFarland, who is in charge of 1930 carryover (amounting to eighty million bushels) is in the capital.

This is the first direct result of the Imperial Conference decision by Britain to grant the dominions a tariff preference on wheat.

What Delegation Wants

Winnipeg. — Although official statements are completely lacking, the wheat pool delegation to Ottawa is understood to have three separate objectives. The first is to secure a Dominion government guarantee to the banks for the operation of wheat pool elevators for the current season, as assistance similar to that granted last year is considered necessary. The provincial governments are both unwilling and unable to do anything in this direction.

The second is to urge upon the government a policy of continued support of the wheat market by the purchase of futures, should other buying be lacking in sufficient volume to maintain practically the present level when new wheat marketings commence to be heavy.

The third is the appointment of a dominion government wheat board to handle all this year's wheat.

Not Backed by Money

These requests are endorsed to a certain extent, it is believed, by the premiers of Saskatchewan, Alberta and Manitoba. These, however, are unable to offer to contribute either money or credit to any scheme, but are believed to be ready with an offer for any special legislation to assist in putting into force any plan upon which the government might decide.

In trade circles, it is believed that the difficulties in the way of establishing a wheat board, requiring both dominion and provincial legislation to make it effective, preclude any such action, even though the government might be willing. It has been generally supposed that the Dominion Government was opposed to any such plan, and that had any other opinion been held by Prime Minister Bennett, some action in that direction might have been taken by this time. The fact that John I. McFarland, who has been liquidating the pool wheat of 1930, and who is believed also to have carried on certain purchasing of futures under authority of the Dominions government with the object of stabilizing the market, accompanied the party, has, however, started speculation as to the government's willingness to consider some such plan, as it has always been understood that Mr. McFarland was closely in the prime minister's confidence.

Holds Too Much Now

As to the third idea, that the government might undertake "stabilizing operations," there is a good deal of scepticism. It is thought unlikely that the government should be willing to increase the commitments for which it is already responsible, and there is complete lack of faith in any such plan if tried. It is believed, however, that the government will explore the idea of admitting its present responsibilities in the market, and declaring that no attempt at liquidation will be made for some definite time.

The essence of the problem is largely one of finance. Within the next few months farmers will deliver much more wheat than can possibly be disposed of immediately, but they will expect to be able to sell it at once. Nevertheless, a good deal of wheat will be withheld from immediate marketing by farmers. But anything like a wheat board, with its guarantee of average price, would increase the rush of immediate marketing, increasing visible supplies, creating a bearish influence that would not be offset by the reluctance of a wheat board to sell in quantity. Moreover, the whole selling organization for our crop is now based on the existence of a futures hedging market, and export transactions can hardly be financed without that market. Destroying or suspending it would mean the necessity of setting up a complete selling organization abroad, and abandoning the services of the regular merchants.

High Grade of '32 Crop Shown by Early Returns

From Our Own Correspondent

WINNIPEG.—A very large part of the grain of Manitoba and southern Saskatchewan has now been harvested, and large additional areas in Alberta and northern Saskatchewan come daily under the binder, while some crops have still a week or even ten days to go before they are ready.

A remarkable feature of the grain already shipped is its high grading. Excluding durum wheat, more than half the inspections currently being made are running one hard, a grade which a few years ago was thought to have practically vanished, and the quantity falling below one northern has been almost negligible.

This cannot continue, as shipments will shortly commence from the more northern districts where a great deal of the wheat is garnet, and not eligible to be graded higher than No. 2. But it appears that most of the wheat is likely to escape the usual influences that other grades, unless weather should turn wet. The early date at which the bulk of harvesting is likely to be completed seems to promise immunity for a very large percentage of western wheat.

Reports Mixed

Reports from various districts are extremely mixed. Possibly most of the grain already cut has yielded more lightly than was hoped up to within a short time of maturity, while the bulk of the wheat still to be cut seems to promise somewhat better than was recently hoped. There are not many observers who think that the total western crop will be less than 400,000,000 bushels, while there are still opinions held that the total yield might go 50,000,000 bushels more.

The feed crops of oats and barley seem likely to out-turn proportionately less than wheat, and there are limited areas where the supply of such grains will be considerably less than local yields. But on the whole the west will be well supplied with feed, and most especially in Alberta.

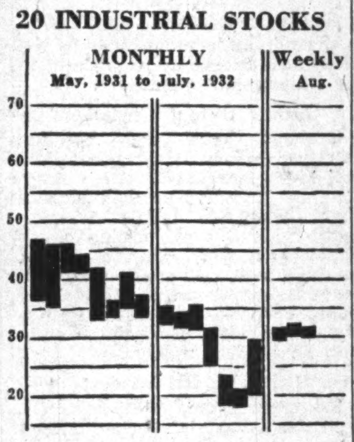
New Method Passes Preferred Dividend

Quarterly dividend on the 6½ per cent preferred stock of New Method Laundry Co., normally due on September 1, has been passed until such time as earnings show improvement. Provision has been made for bond interest and depreciation.

Economies in operating costs are being put into effect and it is understood that preferred dividends may be resumed as soon as it is ascertained that expected savings have materialized.

Stock Market

20 INDUSTRIAL STOCKS



MARKET RECORD

20 Industrial Stocks	High	Low
Week of Aug. 23	31.9	29.7
Week of Aug. 16	32.6	30.1
Month of Aug., 1931	44.1	40.8
8 Bank Stocks		
Week of Aug. 23	175	173
Week of Aug. 16	174	170
Month of Aug., 1931	227	221
10 Public Utilities		
Week of Aug. 23	49	46
Week of Aug. 16	47	45
Month of Aug., 1931	70	65

BETTER YEAR SEEN AHEAD OF GRAIN COS.

Larger Crop Provides Stimulus for Elevators

INTEREST EARNED

Despite Less Handling Last Year, Grain Companies Expected to Cover Charges

From Our Own Correspondent

MONTREAL.—Present prospects point to an improvement in operations of grain elevator companies in the current year while indications are that the companies in which there is a public investment interest succeeded in covering their interest charges in the crop year which has just closed.

All these organizations with the exception of Alberta Pacific Grain, end their fiscal year on July 31. Alberta Pacific closes its books on June 30. In the last crop year these companies were faced with a short crop, diminished handlings and a slow movement of grain to seaboard. Executives in their reports to shareholders for the year ending July 31, 1931, pointed to the difficult prospects ahead of them and stressed the necessity of conserving cash positions of their companies.

All Interest Paid

To date, however, there has been no lapse in interest payments on bonds of Alberta Pacific Grain, Reliance Grain, Federal Grain, Western Grain, or the Terminal bonds of N. Bawlf Grain. Investigations lead to the assumption that each of these organizations, whose earnings have fluctuated widely since their securities were offered to the public, have earned their interest charges in the year just closed, though surplus in some cases is likely to be small. Reliance Grain is the only one of the companies which maintains a dividend on its preferred stock.

The hesitancy with which managements viewed prospects for last year was due to the small volume of wheat harvested in the last crop year. Lower bushelage means less handling by the elevators; there is little an elevator company can do in lean crop years other than reach out for all available business in the territory it serves and cut its expenses to the bone.

Outlook More Encouraging

The outlook this year, however, is more encouraging at the moment. Observers look for a good increase in the current harvest with a better distribution of the crop. Last year conditions were exceedingly spotty with some areas quite unproductive, resulting in little or no business for elevators in that territory.

Though conditions may change almost overnight, harvesting is proceeding briskly in most areas. Elevators are preparing for activity on a better scale than last year as grain in increased volume begins to pour into their bins. Handlings

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GLOBE AND MAIL MERGER MOOTED IS FLATLY DENIED

Toronto, 'Tis Said, Soon to Have One Morning Paper

From Our Own Correspondent

MONTREAL.—Financial circles in this city are greatly interested in the persistent rumor, gaining in strength from week to week, that Toronto will shortly have but one morning newspaper.

Toronto now has two morning papers, The Globe, Scotch, Presbyterian and Liberal, and owned by the Jaffray family; and the Mail and Empire, Conservative, owned by I. W. Killam, Montreal.

Officials of both papers completely deny the current rumor of a merger. John T. Scott, managing director of the Mail Printing Co., publishers of the Mail and Empire, has informed The Financial Post that there are absolutely no negotiations under way between the two papers and that merger of either control or identity has not been discussed for at least two years.

Newspaper opinion is that there is not room for two morning papers in Toronto. Indeed few cities on the continent of Toronto's size now boast two successful morning papers. Recently a second morning paper that started in Detroit, a city of a million and a quarter people, folded up its tent and withdrew.

Both the Globe and the Mail and Empire have suffered in the general decline in advertising during the depression and have had to effect important economies.

A merger of the two papers is regarded in banking circles as logical and proper for the best development of the field.

One well-informed commentator said this week "If the merger does not come off now it will at a later date. The resistless pressure of rising costs and keener competition will make it necessary. The newspaper today is more than ever a business institution and it must bow to the dictates of good business."

£300,000,000 U.K. Trade Affected by Canada Pact

	New Proposed Preference*	Present Preference*	Average U.K. Imports 1924-28 £	U.K. Imports from within Empire 1924-28 £
(A) Items Newly Dutiable				
Wheat	5c bu.	None	64,000,000	32,500,000
Copper	3.3c lb.	None	1,829,000	1,172,000
Total			65,829,000	33,672,000
(B) Items where Preference Increased:				
Cheese	15 p.c.	10 p.c.	14,129,000	12,290,000
Dried fruits	$2.10 cwt.	$1.40 cwt.	6,918,000	1,500,000
Total			21,147,000	13,790,000
(C) Items where Preference Changed:				
Butter	$3 cwt.	10 p.c.	49,835,000	22,227,000
Apples (raw)	90c cwt.	10 p.c.	8,000,000	3,569,000
Pears (raw)	90c cwt.	10 p.c.	1,427,500†	....
Apples (canned)	70c cwt.	10 p.c.	Not segregated	
Eggs (in shell)	2c to 3.5c doz.	10 p.c.	15,837,000	3,800,000
Condensed milk	$1 cwt.	20 p.c.	5,500,000	435,000
Total			80,599,500	30,031,000
(D) Items where Temporary Preference Becomes Permanent:				
Timber	10 p.c.	10 p.c.	46,623,000	5,623,000
Fish (fresh sea)	10 p.c.	10 p.c.	11,787,000	2,420,000
Salmon (canned)	10 p.c.	10 p.c.	4,565,000†	500,000
Asbestos	10 p.c.	10 p.c.	947,000†	†630,000
Zinc	10 p.c.	10 p.c.	594,000	593,000
Lead	10 p.c.	10 p.c.	77,000	56,000
Tobacco	50c	50c	15,600,000	2,157,000
Total			80,193,000	11,979,000
(E) Assistance Promised:				
Live cattle	Embargo to be removed		13,554,000	13,536,000
Bacon and hams	Quota to be set up		47,000,000	8,319,000
Total			60,554,000	21,855,000
Grand total			£308,322,500	£111,327,000

* Preferences unless ad valorem are expressed in the treaty in terms of English shillings. For Canadian usage, conversion at the rate of $4 to the £ has been made.

† 1928 figures only.

Anglo-Canada Pact Covers $1,500,000,000 Of British Imports

One-quarter of Average Annual Imports of Great Britain Affected by New Treaty—Lack of Detail Prevents Proper Study of New Empire Documents

By Staff Editor

OTTAWA.—Ever since high noon of last Saturday, when 12 new trade pacts affecting every unit of the British Empire were signed here on Parliament Hill, pencils and paper of statisticians, newspapermen, public officials and individual business men have been working busily trying to figure out individual, national and international angles of one of the most important events in post-war economic history.

To even estimate the volume of world trade which may be affected by these twelve treaties—assuming they are ratified by their individual governments—is literally an impossible task. All that is possible with the data so far available is to touch the high spots and to attempt to visualize the pros and cons of proposed changes which may easily have a far-reaching effect on almost every country in the world.

Last Minute Changes

Briefly the reason why very few details of the individual pacts are available is because many of them—notably the pact between Canada and United Kingdom, in which Canada is chiefly interested—were only consummated a few hours before they were signed and in those few hours, sweeping changes were incorporated in many clauses.

In the Anglo-Canadian pact for instance it is said that the mysterious schedule "E" which contains the crux of Canada's offers to the United Kingdom, was radically changed just a few hours before the treaty was signed and that in those dying moments the advice and plans of experts and officials was discarded in an attempt to reach a satisfactory agreement. Thus for the present at least, nothing tangible is known of what Canada offers Great Britain except that certain promises have been made in regard to elimination of present handicaps to trade and the creation of a Canadian tariff board to which Britain may apply for redress.

On the other side of the picture, however, a fairly definite picture of what Canada may expect to get from Great Britain, may be gleaned. At least the several items of specific concessions in the British market are known. Whether they will materialize or not in actual trade, is of course a different matter.

Affects $1,500,000,000 Trade

Roughly, the import trade of Great Britain which will be affected by the proposed changes, as outlined in the Canadian pact, embraces no less than one-quarter of entire British importations. On the basis of the average importations for the five-year period, 1924-28, The Financial Post estimates that British imports of roughly $1,500,000,000 are affected to a greater or less degree by the new set-up. The period 1924-28 has been chosen because it may be considered as covering a more normal trade position than has existed in recent years and is probably more typical of what may be expected in the next five year period embracing the life of the treaty.

The detailed picture is shown in the accompanying table.

The changes made by the treaty as they affect Canada—and it is noteworthy that the major concessions granted by Great Britain apply equally to all the Dominions—can be classified into five distinct divisions.

There are the brand new preferences such as wheat and copper—items never before subjected to tariff by Great Britain. Then there are two items on which the existing temporary preference has been definitely increased, notably cheese and dried fruits. Next there is a substantial group of commodities embracing dairy products, raw apples and pears under which the present ad valorem tariff has been changed to a specific tariff which affords in most cases more protection than heretofore. A fourth group is items where no increase in preference has been achieved but where the temporary preference which would have expired on Nov. 1, has been made permanent. In this group are timber, fish, the base metals and so forth. Finally there are items which are included in the treaty in the form of promises but on which no specific action is laid down in the treaty per se. This includes the promise to take steps to

(Continued on page 2, col. 1)

Quebec Telephone Selling Bonds to Shareholders

From Our Own Correspondent

MONTREAL.—Need of further working capital has been made necessary for Quebec Telephone and Power Corp., operating in the Lower St. Lawrence area, to make an offering to its shareholders of 6 per cent first lien collateral trust gold bonds, series C, due 1937. Approximately $200,000 of bonds are involved in this offer, the shareholders being asked to take them up at 90 to yield about 8.75 per cent to maturity.

The covering letter announcing this issue is so worded as to leave the impression that the shareholders are obliged to take up the bonds. It reads: "The allottment of bonds in proportion to stock holdings is not large. The holder of 200 shares (of either Class A or B) is called upon to subscribe only for a $600 bond."

Present financial structure of Quebec Telephone covers $117,300 of underlying bonds issued by its subsidiary the National Telephone Co.; $128,000 of series B, 5 per cent bonds; 36,286 shares of no par value class A and 35,196 shares of no par value class B stock. No dividends have been paid on the former stock since April, 1931, and none at all on the latter.

The balance sheet further shows a weak working capital position. At the end of 1929 the excess of current liabilities over current assets amounted to $98,034. This adverse working capital figure increased to $169,382 a year later and dropped to $136,906 at the close of 1931. Among current liabilities on December 31, 1931, were notes payable of $180,599, of which $174,147 represented bank loans, which will be repaid with proceeds of present issue.

No particulars are given in the circular in respect to current earnings. The income account for 1931 shows that net earnings available for bond interest, after taking care of interest on underlying bonds, interest on loans and depreciation, amounted to $18,898.

The number of telephones reported in operation by Quebec Telephone has tended to decline.

SMALL ADVANCE IN METAL PRICE MEANS MILLIONS

British Markets May Reflect Either Increased Prices or Volume

TRADE STIMULATED

One Cent Increase on Base Metals Would Make Big Advance in Profits

While it is anticipated that the twopence British preference on copper will ultimately help to bring about higher prices for that commodity, immediate increases and consequently higher profits for the copper producers are not expected at once. Chances for increased profits will come from two sources, either from a higher price for copper or from marketing a greater percentage of the possible individual production. Just what one cent per pound advance in copper prices will mean to Canadian producers can be visualized by making deductions on the basis of individual production in 1931.

Noranda Smelter at Capacity

At the present time Noranda Mines is one of two copper producers in Canada that have their smelters working to capacity. This does not mean that Noranda is at capacity production on copper but rather that due to the flexibility of its ore bodies it is curtailing its copper output to a minimum by treating its lower grade ore at the same time stressing its gold production. In 1931 Nordanda produced 62,859,355 pounds of copper. In the first six months of 1932 copper production was at about 96 per cent of this rate.

Each one cent per pound advance in the price of copper on the 1931 production has increased earnings $628,593 or equivalent to over 28 cents per share on the outstanding capitalization. This is not all for if there was a worthwhile advance in copper prices Noranda could, without increasing the tonnage of ore treated, substantially increase its copper output by simply shifting mining operations to the higher grade ore bodies.

Nickels Output Curtailed

International Nickel is curtailing its copper and nickel production to about 20 per cent of capacity. It is in very much the same position as Noranda in respect to flexibility of operations. Without increasing the tonnage of ore treated it could, if conditions warranted, shift mining operations to its higher grade copper ore in the lower levels of the Frood mine without substantially changing its nickel production. Thus International Nickel stands to profit either from an enlarged market or from increased copper prices. In 1931 International Nickel reduced its copper production to about 110,000,000 pounds, which also includes copper content in the "Monel Metal" produced. This compares with a peak production of about 125,000,000 pounds in 1930. Production in 1932 has been well below the 1931 rate and has been further curtailed in recent months. On the basis of its copper production in 1931, each one cent advance in price of copper would have meant about $1,100,000 increased earnings or the equivalent of about 7½ cents per share on the outstanding common share capitalization.

Hudson Bay at Capacity

Hudson Bay Mining & Smelting Co. is the only other copper producer, outside of Noranda that is running its smelter at capacity operations. In 1931, the first full year of production its copper output was 31,068,556 pounds. Figures for the first six months of 1932 are not yet available but are known to be at somewhat higher rate. On the basis of 1931 output each one cent increase in copper prices would mean $310,685 increased earnings or the equivalent of 12½ cents per common share. This company is also the second largest zinc producer in the Dominion and stands

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Greet The Mailman With A Smile

On the first of the month when you SHOP WITH A D. A. AT EATON'S

No sheaf of bills . . . . he'll bring you only an itemized statement of paid-for purchases. Merely place to your credit a sum to cover anticipated purchases . . . . then say "Charge to my D.A." It saves having to wait in for C.O.D. parcels . . . . gives the privilege of ordering by telephone sale values advertised "No C.O.D. Phone Orders."

Interest is allowed twice yearly on your daily credit balance. Let us give you details.

CUSTOMERS' DEPOSIT ACCOUNTS
Fourth Floor.............Main Store
Third Floor.....EATON'S—College St.

T. EATON Co LIMITED

New Preferences Should Aid Packing Industry

Too Early Yet to Measure Effects — Should Stimulate Hog Production — Salmon Canners Not Helped

Results of the Imperial Conference as they affect the Canadian packing industry, manufacturers of dairy products and produce exporters are not as yet entirely definite. Canada Packers Ltd. and Burns & Co. are the chief companies in which there is investment interest which may benefit by the new preferences. Increase in the bacon and ham quota to 2,500,000 cwt. per year and modification of restrictions against imports of Canadian live cattle in the British market are among the most important items.

Hog production in Canada is expected to be materially stimulated but to what extent remains uncertain. Present production is approximately 6,000,000 hogs per year and this may be increased to 8,000,000 or 9,000,000 a year. The British markets can take regular shipments but present production does not ensure absolute regularity and further effort is necessary to improve grades and reduce production costs. Benefits of the new preferences is not expected to materialize immediately.

Canadian exporters of fish secured no additional benefits as a result of the Imperial Conference since Great Britain will merely maintain the present duty of 10 per cent on foreign fish, both fresh water and sea; canned salmon and other canned fish. British Columbia Packers, Ltd., largest exporters of canned salmon secures no further advantage in its competition with Oriental packers. Japanese and Russian packers of salmon, operating on a low cost production basis have been able to undersell B. C. Packers in the United Kingdom and since most of the B. C. salmon pack must be exported the packers have been hard hit.

The total salmon pack to date is reported to be well up to average and most recent figures show 565,944 cases against 437,596 cases in 1931. To August 13, 230,475 cases of sockeye had been packed and since this is the most valuable of the British Columbia salmon packs the result is regarded as satisfactory particularly in view of strikes that have occurred among fishermen in northern waters.

ANGLO-CANADIAN PACT COVERS $1,500,000,000 OF BRITISH IMPORTS

(Continued from page 1)

repeal the embargo against live Canadian cattle, and also the promise to give consideration to a quota for Canadian bacon and hams.

Briefly summarized, the total United Kingdom imports which will be affected under each of these classifications and the amount of trade in each group already going to Empire countries, is as follows:

British Import Trade Affected by New Anglo-Canadian Pact

	Average U.K. Imports, 1924-28 £	Imports from within Empire 1924-28 £
New pref. gained...	65,829,000	33,672,000
Pref. increased	21,147,000	13,790,000
Preference changed*	80,599,500	30,031,000
Pref. made permanent	80,193,000	11,979,000
Assistance promised	60,554,000	21,855,000
	308,322,500	111,327,000

*From ad valorem to specific duty.

At par of exchange this total reaches almost one and one-half billion dollars or roughly one-quarter of Britain's total imports. It affects trade now being carried on outside the Empire to the extent of almost £200,000,000 or something under a billion dollars. Whether or not the preferences that have been granted are sufficient to attract even a tenth of that trade to Canada is of course a different story and one the answer to which lies in the future. At any rate it is interesting to see just how much trade is involved in the specific provisions of the Anglo-Canadian pact as far as British concessions are concerned.

Metal Prices

New York—August 23—
Copper: Electrolytic spot, 5½c. lb.
London—August 23—
(Long Ton)—
Copper: Electrolytic spot, £35 10s; future, £36 10s.
Standard spot, £33 7s 6d; future, £33 2s 6d.
Tin: Spot, £143 10s; future, £144 17s 6d.
Lead: Spot, £11 17s 6d; future, £11 17s 6d.
Zinc: Spot, £14 2s 6d; future, £14 7s 6d.
Silver: 18⅛d. per ounce.

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BRITISH VIEW IS FAVORABLE TO NEW PACTS

Treaty With Canada is Expected to Yield $20,000,000

MILLERS SAD

Hoped-for Tax on Canadian Flour Did Not Materialize —Russia Problem May Split Cabinet

In order to give our readers an authentic view of British reaction to the results of the Imperial Conference at Ottawa, The Financial Post asked a leading British newspaperman to write the following review of British opinion on the conference as seen at the present time.

The British are on the whole well satisfied with the results of the Conference.

It was only exuberant Imperialist zealots who cherished any extravagant hopes that hundreds of millions of dollars worth of trade would be added to the business of British manufacturers as the result of the Conference and the members of the delegation and their officials always took a sober view of its possibilities. Their chief disappointment was their failure to secure in the general preamble resolutions a broader declaration of principle about the advisability of stimulating the revival of trade by the lowering of tariff barriers; they wanted this to hold up as an example to other nations at the coming world conference.

Dominions Object

But Canada and Australia did not want to commit themselves to what they regarded as the rather sweeping terms of the original British draft and so at their insistence it was modified. The British estimate the trade value of the tariff concessions which they have secured from Canada at something between 15 and 20 million dollars per annum under present conditions and likely to increase as the depression lifts; their trade gains from none of the other agreements will be so large but in all they hope to get about forty million dollars worth of new business for their factories.

In some quarters doubts are entertained whether this gain will be sufficient to compensate them for possible losses which may accrue if countries like Argentina and Denmark undertake policies of tariff reprisals for the preferences which are now to be established against their products.

Look to Dominion

But the British think that though the immediate net gains in trade may be meagre, yet all the Dominions offer the possibilities of expanding markets and richer fruits can be expected later on. They also welcome the Canadian pledge to abolish the system of arbitrary valuations for customs purposes which was responsible for an uncertainty about customs rates fatal to business and they feel that if the Canadian Tariff Board is manned by men of impartiality and independence, its decisions should eventually result in a substantial enlargement of the existing British preferences. On this point they are prepared to trust the Canadian Government just as it in turn has to trust the British Government to play fair about restrictions upon unfair Russian dumping.

The clause in the Anglo-Canadian agreement about foreign dumping has been left very vague and contains no specific mention of Russia and in some British circles it is held that it might have been better if Russia had been specifically mentioned. In regard to wheat dumping Argentina has been just as great a sinner as Russia in the British market and if the Canadian Government at no distant date puts forward a request that the British Government take measures to check the dumping of Argentinian wheat trouble may develop. Even in regard to action about Russia the same possibilities of trouble ahead.

Ramsay MacDonald's Views

Ramsay MacDonald and some of his colleagues are quite firm in their view that Russia offers a market of enormous potentialities and that it would be madness for Britain to embark on policies which would cut her off from it and turn it over to commercial rivals like Germany and the United States. They have acquiesced in the present agreement about Russia but they will want to be shown very convincing evidence about Russian dumping being deleterious to Canada's export trade in wheat, lumber, asbestos, etc., before they will consent to the steps which the Canadian Ministry may demand sooner or later. No issue is so likely to cause a split in the British Cabinet.

There is also some nervousness in the British camp about the plan of quantitative regulation for meat imports. One of its avowed objects is to secure a curtailment of the present rate of production which is glutting the markets and depressing prices and if it can be effectively worked it should have the effect of raising meat prices. But an increase in meat prices will not be popular with the British housewife who now has a vote and the Labor party will not be slow to raise the cry that the National Government has deliberately raised the cost of living and committed itself to a policy of creating scarcity where plenty existed before. Moreover there are grave doubts whether the Australians and South Africans will be able to supply the same quality of beef as Argentinian ranches can produce.

In Argentina, thanks to the rich pastures and abundance of water, beef cattle are fat, well-grown and ready for killing at the age of two years, but in Australia and South Africa where pastures are poorer, beef cattle do not mature until they are over three years and their meat is much tougher.

Millers Disapointed

Among the British the only really disappointed people are the millers who strove hard to secure a duty on Dominion flour, and redoubled their efforts when it became certain that a preference for Dominion wheat was to be granted. Their argument was that this impost would involve them in serious handicaps in addition to those imposed by the quota plan for domestic wheat and as compensation they were entitled to some protection against Canadian flour which they claim is being dumped on the British market at cut-throat prices.

They proposed to let a certain quantity of Dominion flour in free and have duties levied on the rest, but the British delegation would not listen to their pleas knowing that the Canadian Government would not stand for a duty on Canadian flour. However, if the theory that the wheat preference will tend to lower rather than raise the world price of wheat is correct, the British millers should not be under any handicap.

Currency Reactions

A number of British industrialists who are in favour of a policy of currency inflation are very disappointed at the conservative character of the report of the Monetary and Financial Committee and regard it as a triumph for the Bank of England and the British Treasury whose policies carried out by a close working alliance they dislike. The Australians and New Zealanders, as the speeches of Mr. Bruce and others reveal were also rather chagrined that no steps were taken to use monetary policy as an instrument for raising prices, but Mr. Chamberlain's speech indicated the trouble was not to be found in that he believed that the root of the monetary sphere but rather in an overproduction of basic commodities which has caused the supply to outrun the demand.

The Nation's Business

(Continued from Page One)

makes his selection, either from those who have been inactive politically or from representatives of more than one party, that a tradition will be at once established that future governments will be delighted to follow.

* * *

NO BROAD change in basic policy is involved in Canada's promise to end tariff changes by departmental regulation. The onerous import regulations that have fastened themselves on the Canadian protective tariff in recent years were always to be regarded as temporary; they were an attempt to meet certain troubles due to the world economic crisis but they were acutely disturbing to normal business. They have also served a purpose that should not be overlooked; they have put Canada in a better bargaining position in relation to the United Kingdom.

The important modifications of National Policy, that have come out of Ottawa, are the principle of even competition, the refusal to foster unsound industries, and the agreement to have relative costs determined by an independent jury.

* * *

TO WHAT extent a shifting of emphasis in Canadian industrial development will follow the conference cannot be judged so long as the details of Canada's concessions remain undivulged. But it may be questioned if any material injury will be done to any good Canadian industry. There may and should be a shifting of trade currents: within the limits of Canada's importations from foreign countries there is vast scope for increased British trade in Canada.

But there can be little doubt that a permanent increase in the sales of many of our primary products in the British market will follow the continuance and enlargement of the United Kingdom's preferences. It was hardly necessary to put into the agreement a clause protecting the British consumer from price exploitation by the Dominions; in the case of such products as wheat, copper, lead, zinc, etc., the preferences could do little more than give us an assured minimum market without increasing our average return except to the extent that it eliminated the necessity of dumping in other markets. Larger markets for our primary products are essentially valuable and greater prosperity for our primary producers means larger purchasing power which industry can tap.

* * *

IN THE past our exports of many products to the United Kingdom have been injured by the uncertainty of the market there and the uncertainty of the supply here. The preferences help to correct the first obstacle. We in Canada must ourselves remove the second one. It must be admitted that our producers are not in a position to take advantage of all that we have been granted. We must study British buying habits, British tastes, British merchandising methods more intimately. A large job lies ahead of the Dominion and provincial governments in teaching our farmers in particular how to grow, store and pack their goods for British consumption.

THE market afforded by the colonies and protectorates is a large one and the agreements improve Canada's position in most of them. The treaties with the other Dominions, that have been concluded or are in the making, are also on a wider scale than ever before. This raises the question of the further establishment of United States branch plants in Canada. The conference did not come to grips with the question of the required percentage of Empire content required to qualify for preferences. At the present time there is a wide variation in policy and practice throughout the Empire and the requirements range from 25 per cent in Britain to 75 per cent in Australia with Canada roughly in the fifty per cent class. An endeavor was made to arrive at a uniform content standard. If such a standard had been arranged and were as high as 75 per cent it would undoubtedly have jeopardized the existence of many exporting branch plants in Canada. Had it been fixed at 25 per cent it would have done injustice to Empire trade as a whole. A compromise figure of 50 per cent was suggested and this would have been approximately suitable for most interested parties in Canada. But the question proved too difficult for settlement at the conference and no general change has been effected for the present.

The net result of the signing of the various treaties and the continuance of present content arrangements is to maintain and possibly increase to no little extent Canada's attractions as a manufacturing site for branches of United States concerns.

* * *

THE statement made in this column last week that the Conference would disappoint the super-optimists and the sceptics alike is borne out by the final results. The results were the minimum that could have been expected as a result of any sort of agreement that would justify calling the conference a success. But they represent an excellent beginning in the solidifying of Empire trade.

Whether the net result of the conference is a reduction or an increase in tariffs throughout the Empire is a moot point. Great Britain has undoubtedly committed herself to imposing a number of new tariff duties but these duties will be more theoretical than real in that their function will be to divert trade without increasing prices or reducing the net volume of world trade. On the other hand, the Dominions have committed themselves to a very substantial reduction in their tariffs Empire-wise. Probably the net result is the average tariff reduction that the world requires.

Certainly there is in prospect a larger increase in intra-Empire trade than will be represented by trade taken away from non-Empire countries. In the long run it will no doubt develop that the Empire countries, by mutual exchange of new goods and services, will have increased their joint and individual prosperity without having seriously affected the sales of any other country. In such a situation there is much of promise for a tariff-weary world.

BETTER YEAR SEEN AHEAD OF GRAIN COS.

(Continued from page 1)

should show definite gains over last year.

Interest Charges Met

Though grain companies were among the first to defer disbursements on their preferred shares, they have succeeded in meeting their charges. Following the disastrous slump in earnings in the year ended July, 1930, these organizations had their hands full to keep their positions intact. The precipitate slump in grain prices, coupled with mis-management in one case, brought near ruin to many, while continued short crops restricted development of a fuller earning power in the next year.

The problem which faced the grain companies two years ago is illustrated by the following table which shows comparative earnings before changes for the year ended July 31, 1930, and the year preceding it.

	1930 $	1931 $
Alberta Pacific*	181,604	1,440,906
Federal Grain	66,444	......
N. Bawlf Grain	*257,172	605,751
Reliance Grain	110,132	1,049,935
Western Grain	77,455	811,707

*Year ended June 30.

Heavy Loss Incurred

Steps were immediately taken to consolidate weakened positions for heavy losses were shown after charges. In the case of Alberta Pacific Grain a thorough reorganization of management was effected and throughout the whole industry economies were put into force which substantially cut overhead expenses. Some elevators were closed down entirely where unprofitable operation was disclosed.

The effects of the corrective measures taken, coupled with a slight improvement in the harvest, enabled grain companies to make slight gains. Their position at the end of the last year ended July 31, 1931, is shown in comparison with the previous year in the following table.

	1931 $	1930 $
Alberta Pacific*	665,724	181,604
Federal Grain	789,399	66,444
N. Bawlf Grain	‡8,152	‡257,172
Reliance Grain	506,114	110,132
Western Grain	340,241	77,455

*Year ended June 30.
‡Loss.

SMALL ADVANCE IN METAL PRICE MEANS MILLIONS

(Continued from page 1)

to share in an increased way by the British preference of 10 per cent to the Empire zinc producers.

Granby Output Curtailed

Granby Consolidated Mining, Smelting & Power Co. is the largest copper producer in British Columbia. In 1931 its production was about 36,511,810 pounds as compared with a peak production of 60,854,591 in 1929. On the basis of its 1931 production one cent advance in copper prices would have meant $608,545 increased earnings or the equivalent of $1.35 per common share outstanding.

Britannia Hit Hardest

Britannia Mining & Smelting Co. is British Columbia's second largest copper producer but makes its shipments in the form of concentrates to the United States for smelting and refining. It is therefore the hardest hit at the present time owing to the United States tariff as there are no smelting facilities available that will permit its product being treated in Canada. In 1931 its copper production was about 28,000,000 pounds as compared with a peak production of 44,300,000 pounds in 1930. This company is controlled by the Howe Sound Co. of New York and no separate earnings statement is published.

Smelters Position Good

Consolidated Mining & Smelting Co. is Canada's largest lead and zinc producer and one of the leading producers of these metals in the world. In 1931 its output was about nine per cent of the world supply. Since early in the present year it has been enjoying the 10 per cent British preferential which is being continued. A one cent advance in either the price of lead or zinc means substantially increased earning for this company. In 1931 it produced 227,685,229 pounds of lead as compared with a peak production of 302,984,402 pounds in 1930. Therefore a one cent advance in lead prices over the average received on its 1931 production would have meant $2,276,852 increased earnings or the equivalent of over $4 per common share outstanding. In 1931 this company also produced 202,247,767 pounds of zinc as compared with a peak production of 239,100,252 pounds in 1931. A one cent increase in zinc prices over the average received on the 1931 output would have meant $2,391,000 increased earnings or the equivalent of about $4.25 per common share. Therefore if lead and zinc prices advance as little as one cent per pound Smelters stands to benefit in a substantial way.

PURCHASES BY U. K. ALONE STIMULATE WHEAT MARKETS

World Shipments Low as Canada-U. K. Alone Active

NEED EUROPE BUYING

Requirements of Importing Countries Currently Dominate Wheat Markets

From Our Own Correspondent

WINNIPEG. — As background for the current behavior of the wheat market is the fact that the international trade in wheat at the moment consists mainly of Canadian sales to Great Britain. No other country is buying largely, and no other country is selling in volume.

The United States has lots of wheat to sell, but markets there are being held above export parity, partly by the willingness of traders to hold wheat for higher prices, considerably by the holding of wheat by farmers, and also by the fact that the crop is, on the average, decidedly later than usual, as the early harvested southern portion is light, and the later spring wheat crops of the northwestern states form a larger proportion than usual of the whole. Russia and the Danubian states are largely out of the picture, the Australian crop is fairly well cleaned up, and Argentine offerings are not pressing.

Canadian Wheat Undersells

Canadian wheat is underselling all others in the British market, partly because this country is as determined a seller of wheat as three years ago it was a determined holder, and at least in the case of Australian wheat, because the scarcity of offerings of the latter, enable its special qualities to command a premium price.

But at the same time Great Britain is the only substantial buyer of wheat. France, Germany and Italy are keeping practically out of the market at the moment. Even such steady importers as Holland, Belgium and Switzerland which cannot manage for long without importing wheat appear to be buying only minimum quantities, as new domestic grain has become available. Takings of none-European countries are much lighter than usual.

World Shipments Dwindle

Under such conditions world shipments have been the smallest known for years. Fifteen million bushels a week has come of late to be regarded as an average week's business, but last week's shipments amounted to less than six and a half, of which British requirements alone would account for more than 4,000,000 bushels. Supplies afloat have been reduced to an extraordinarily low level of 25,000,000 bushels.

GRANADA MEET INDICATES MILL TO BE INCREASED

Little Production or Financial Figures Given But Earnings Up

At the annual meeting of shareholders of Granada Gold Mines held August 22 at the mines near Rouyn, Quebec, the directorate was reduced from 7 to 5 members in order to facilitate the expeditious handling of the company's affairs. R. C. Gamble, president of the company, in commenting on the situation said that not only would direction be facilitated but economies effected. Mr. Gamble told The Financial Post that he had steadily added to his holdings by purchase of shares in the open market, and that at the present time he held approximately 600,000 shares, while he and his immediate associates held about 75 per cent of the 860,000 shares outstanding.

No formal report or financial statement has been prepared for distribution for shareholders covering the year ended June 30, 1932. The shareholders' meeting was adjourned with the directors planning a further meeting in Toronto at which time consideration is to be given to increasing the mill capacity.

Earnings Increasing

Due to hydro-electric power not becoming available until early in 1932 and to the necessity of continuing the shrinkage system of stoping initially used, the last fiscal year did not reflect the full earning capacity of the mine. Satisfactory profits are reported in the latter months through the adoption of modified cut and fill stoping methods, which is expected to prevent undue dilution and further increase profits.

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NATL. BREWERIES TO MANUFACTURE YEAST PRODUCT

Non-Perishable Feature to Mark Entrance Into New Field

From Our Own Correspondent

MONTREAL.—National Breweries has completed plans for the manufacture and marketing of a by-product obtained from its brewing activities; the new product will be sold under the name of N. B. Yeast Flakes. A feature of the yeast flakes is the fact that they are non-perishable. Sales will be handled by Harold F. Ritchie and Co.

As long as the company has been in business, yeast has been recovered from its brewing operations. Some time ago it was sold in a different form but distribution of the new product on a national basis marks a new step in the company's operations.

Manufacture will not necessitate major additions to existing plant. Two years ago the company acquired the old Dawes garage near the main plant and it is in this unit that manufacturing activities will be concentrated. Packaging will constitute one of the largest operations in this division.

Non-Perishable Feature

Last winter National Breweries gave away its yeast to various clinics in Montreal for medicinal purposes and it is reported that success achieved in this procedure had a bearing on the recent decision to enter the yeast-flake field on a large scale. The non-perishable feature is important; other large yeast manufacturers have to contend with day to day replacements. It is claimed that the longevity of N. B. Yeast Flakes does not affect their medicinal value; the product, it is understood, is packaged in dried form.

Beer Sales Slow

Beer sales of National Breweries to date, it is understood, are relatively slow. The company does not issue interim figures on sales or earnings; dividends have been maintained at the regular rate on the common stock during the current year.

In 1931 earnings showed a decline of nearly $500,000 from the previous year but net of $1,981,630 included provision for an unspecified decline in value of investments. After charges, earnings equalled $1.63 a share on the common. Dividend requirements were $1.60.

IRON FOUNDRIES HALVES DIVIDEND ON PREFERRED

Sharp Contrast With High Earnings Reported Last Year

From Our Own Correspondent

MONTREAL.—With declaration of a semi-annual dividend of $1.50 a share, on preferred stock of Canada Iron Foundries, directors have placed the stock on a $3 annual basis, against $6 paid previously. The preferred dividend is payable September 15 to shareholders of record August 31.

In addition to reduction in preferred disbursements, no action has been taken on the common stock. Since 1929 this stock has been on an annual $3 basis; the last disbursement was made in March this year. There is $3,877,800 of 6 per cent preferred stock and $1,598,900 of common stock outstanding. Senior to these is issued $455,000 of 6 per cent first mortgage debenture stock.

Less Unfilled Orders

Continued inactivity in railroading has played a part in lower earnings this year. For the first half of 1931 the company was busy on a considerable volume of unfilled orders carried over from the previous year but in the latter half of last year a decided falling off in business was experienced.

Despite this, earnings in 1931 were the most satisfactory to be reported for several years and, after all charges, were equal to $12.65 a share on the common stock compared with a dividend payment of $3. Common share earnings were double those of 1930.

Pressure Pipe Busy

Through acquisition of a substantial interest in Pressure Pipe Co. of Canada last year, Canada Iron Foundries stands to benefit from recent orders secured by this subsidiary. In April, the Pressure Pipe Co. secured a contract for manufacturing high-pressure reinforced concrete piping to be used in the tunnel under the first Narrows of Burrard's Inlet. This tunnel has a length estimated at about 4,800 ft.

A more recent contract was for two and a half miles of concrete water mains, six feet in diameter, placed by the City of Montreal with the Pressure Pipe Co. The contract price was $1,073,000 and is expected to take a year or more to complete.

Exports of Newsprint Under Those for 1931

MONTREAL—Exports of newsprint from Canada in the first half of 1932 dropped 92,222 tons from that reported for the corresponding period last year, according to returns compiled by the Canadian Pulp and Paper Association. In all 933,449 tons were shipped, as against 1,025,671 tons in 1931.

Examination of the returns show increased shipments to the Argentina, Australia and "all other" markets. The other outlets for Canadian newsprint reported declines.

Particulars of exports by markets for the first six months of 1931 and 1932 follow:

	Tons Six Months 1932	1931
United Kingdom	28,732	41,781
Cuba	2,479	4,306
Jamaica	501	694
Argentina	31,403	23,907
Other Latin cts.	2,847	6,062
South Arica	5,667	7,554
Australia	20,495	14,178
New Zealand	5,441	8,355
All other	27,687	9,219
Overseas total	125,252	116,056
U. S. A.	808,197	909,615
Total	933,197	909,615

Panama Canal Sets Example to Canada

U. S. Government Earns Huge Profit on Investment While Canada Provides Free Service to All Shippers — Reduced Panama Tolls Called "Unfair to Railroads"

No tolls are charged on any of the publicly-owned canals in Canada. Vessels of whatever nationality may ply the waters of the Sault Ste. Marie Canal, the expensive new Welland Ship Canal or any of the St. Lawrance canals without paying a single cent in tolls. It is proposed that the same policy should be followed in the case of the new St. Lawrence Seaway, if, as, and when built. The policy of free use of canals is also observed by the United States on its canals along the St. Lawrance-Great Lakes Waterways system, although tolls are charged on inland waterways in the United States.

"Of General Advantage"

The basis of Canadian policy lies in the belief—never seriously analyzed—that inland waterways are of general advantage to the country and that this general advantage offsets the burden of the fixed, maintenance and operating charges of the canals.

The accounts of the Dominion show some slight revenue from the canals but this comes largely from rents of lands adjacent to the canals, elevator fees at Port Colborne and sale of water power rights. No tolls of any kind are charged on vessels passing through the canals.

At March 31, 1931, Canada had a net capital investment of $234,000,000 in canals, over half of it in the New Welland Ship Canal. Annual operating and maintenance charges exceed $3,000,000; interest charges are about $10,000,000 a year. This is the Canadian taxpayers' gift to the canal user.

Other Agencies Taxed

Canals compete with other agencies of transportation — the railways, the motor trucks, etc.—all of which are heavly taxed. These other transportation units pay a substantial share of the taxes required to keep up the canals that are designed to reduce their revenues.

The policy of building huge canals at public expense and then throwing them open to all comers to be used without the payment of any tolls is contrary to practice in other countries. In Great Britain and elsewhere, canals are largely privately owned. The Manchester Ship Canal has an enormous revenue.

The Suez Canal is a private undertaking with a large revenue from tolls and paying fabulously large dividends each year.

Example of Panama Canal

The Panama Canal is publicly-owned. It is the property of the government of the United States. But it charges tolls and earns a large revenue over and above all operating and interest charges. As an example of what Canada might fairly be expected to do with regard to its $234,000,000 of present canals and with the half billion dollar St. Lawrence ship canal, that it is proposed she should build in conjunction with the United States, the story of the Panama Canal, how it is operated, and how it is financed may well be told. That is the purpose of this article. All of the figures quoted, unless otherwise specified cover the year to June 30, 1931. All of the figures are official.

The Panama Canal was opened for traffic ten days after Great Britain declared war on Germany in 1914. During the first two years earth and rock slides interferred with shipping but nevertheless half a dozen vessels a day made journeys through the canal in the early years and normal traffic is now some 6,000 vessels of nearly 30,000,000 tons yearly.

Huge Tonnage Passes

Last year 5,529 boats passed through the canal, of a net tonnage of 27,792,146. These boats carried 25,082,800 tons of cargo and paid tolls of $24,645,457. Since the canal was opened 65,000 vessels have carried 300,000,000 tons of cargo through the canal and have contributed $272,000,000 in tolls.

Less than half of the total tonnage is carried under the U. S. flag. Canada contributes much of the tonnage. Vancouver has recently become the leading grain shipping port of Canada, replacing Montreal. Most of the cargoes pass through the Panama Canal bound for Europe. Over half of Vancouver's wheat shipments are destined to the United Kingdom alone and pass through the Canal. The West—when it can sell lumber to England—uses the Canal. There is also a certain growing volume of coast-to-coast traffic from Eastern Canada ports to Vancouver through the canal.

Canada's Large Share

Last year of the 25,000,000 tons of cargo carried through the canal, the Canadian west coast supplied 3,525,000 tons; the Canadian east coast 110,000 tons; these amounts included 150,000 tons of Canadian inter-coastal cargo.

The basis of levying tolls is complicated. The commercial toll is $1.25 per net ton for laden ships and 72 cents for ships in ballast. The Canal has its own rules for determining what constitutes net tonnage. To the layman the essential fact regarding tolls is probably this:

The average vessel including those in ballast carried 4,537 tons of cargo. The average toll per vessel was $4,457. For each ton of cargo through the canal an average of 98¼ cents was paid in tolls.

Thus cargoes of Canadian origin contributed $3,600,000 to the Canal last year.

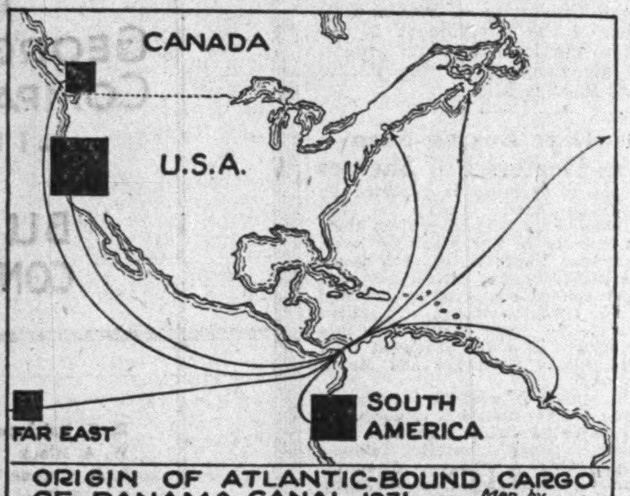
Wants Rates Maintained

Occasionally, ship owners in the United States suggest that tolls be reduced. But this is what Governor Burgess, of the Panama Canal, replies:

"It is claimed that such reduction would be an aid to American shipping. In the fiscal year 1931 tolls paid by foreign ships were 54 per cent of the total tolls, those by United States ships in the intercoastal trade 34 per cent, and those by United States ships in foreign trade, 12 per cent.

"A lowering of canal tolls below the value of the service rendered should be considered in the nature of a subsidy to shipping. On the basis of the traffic in the past year, each million dollars of tolls reduction would represent a subsidy of $540,000 to foreign shipping, of $340,000 to United States shipping not in competition with foreign shipping, and of $120,000 to those ships of the United States which are in competition with foreign flags. It is seen that as far as United States shipping is concerned the greatest reduction would be to vessels engaged in the intercoastal trade of the United States. These vessels are protected against the competition of foreign lines and their competition is with the railroads of the United States.

"As a matter of national policy the effect of lower canal tolls on the railroads should be given careful consideration. Tolls revenues are not now on the increase but expenses of operation and maintenance are, on account of the necessity of replacements and betterments. It appears in line with sound business practice not to lower the rates of tolls below the present levels."



ORIGIN OF ATLANTIC-BOUND CARGO OF PANAMA CANAL, 1931 Map by The Financial Post

Large Profit Is Earned

The question is now pertinent: does the United States make a profit on the canal? The total investment in the canal is $535,571,809, including interest on construction funds and early operating deficits. But the United States government considers that a large part of the expenditure is properly chargeable to national defence rather than to the canal as a commercial proposition. Eliminating previous surpluses and deficits and the national defense capital investment, the commercial capital investment of the canal at June 30, 1931, was $273,273,819, including all business operations.

We can now figure the return on the maximum and the minimum conceptions of what constitutes the government's investment in the canal.

Earns More Than Interest

We have seen that tolls brought in $24,644,550. Casual revenues brought this to $24,990,581. Net canal expenses, including depreciation on fixed property, amounted to $10,143,354. After charging interest at 3 per cent on the capital investment—since this is the rate paid by the United States on the money borrowed to build the canal—there was a surplus of $7,060,494.

It should be pointed out that canal expenses include the cost of all facilities provided for employees, such as civil government, post office, schools, police and prisons, etc.

It is apparent that, if the surpluses now being earned have not already amounted to enough to overcome the deficits of early years, they will in a few years do so. The operating surplus to date of $151,636,480 would seem to be ample to cover seventeen year's interest at 3 per cent on the $275,000,000 of investment in the commercial part of the canal.

Comparative Tonnage Figures

A comparison of the cargo traffic of the Panama Canal with that of various Canadian canals is interesting.

	1931 Cargo (tons)
Panama Canal	25,082,800
St. Lawrence	6,179,023
Welland	6,087,910
Sault Ste. Marie	1,691,471
Ottawa	540,933
All Canadian Canals	14,803,334

Since Confederation the total revenue of Canadian canals has been $28,000,000 or approximately equal to the $27,000,000 total revenue of the Panama Canal in the year 1929.

Aird Leaves Wabasso to Join Montreal Cottons

From Our Own Correspondent

MONTREAL — Announcement is made of the resignation of W. G. E. Aird as manager of the Wabasso Cotton Co., and also as director of the company and its subsidiary, Shawinigan Cotton Co. He leaves Wabasso Cotton to accept the position of manager for Montreal Cotton Co. at Valleyfield.

MONTREAL CURB SEEKS TO WIDEN TRADING SCOPE

Drop in Main Revenues May Lead to Higher Dues

From Our Own Correspondent

MONTREAL.—Seeking to increase its volume of trading, the Montreal Curb Market has circularized members with a suggestion that all classes of securities which members may request to have listed shall be traded in in the unlisted department of the Exchange, subject to the approval of the Listing Committee. During the present period of business depression, the letter states, it has become next to impossible to secure additional listings due to necessity for economy on the part of most Canadian companies and to the lack of new stock issues available for trading purposes.

It is also pointed out that during the last two years main revenues of the Exchange have declined $9,750 and unless further revenue is obtained it will be necessary to increase the present dues to carry on the workings of the Exchange in an efficient manner.

Increase Trading Volume

The circular continues in part:

"Your committee feels that in the interests of all members of this exchange, it is most necessary to materially add to the list of active securities which are open to trading, thereby providing additional facilities to the public and at the same time increasing on a very substantial scale, the volume of trading on the Montreal Curb Market.

"During the present period of business depression, it has become next to impossible to secure additional listings due firstly to the necessity for economy on the part of most Canadian companies, and secondly to the lack of new stock issues available for trading purposes.

"It has therefore become necessary to search for other means to accomplish the object in view and your committee has given considerable study to the situation.

"It has been suggested that in future all classes of securities which members may request to have listed and which are approved by the listing committee of the Montreal Curb Market shall be traded in and quoted in the unlisted department of the exchange. All transactions and quotations will be sent out on the ticker and printed on the official daily bulletin.

"It is proposed that for using the facilities of the unlisted department, brokers representing both buyers and sellers shall pay to the exchange a weekly commission on both purchases and sales."

COURT PASSES ALGOMA STEEL IRON ORE DEAL

New Arrangement Will Save Company Over $235,000

From Our Own Correspondent

MONTREAL. — Receivers and managers of Algoma Steel Corp. have been authorized by the courts to accept offers of supplies of iron ore at specified price, payable in American funds from Butler Bros., Cleveland Cliffs Iron Co., Oglebay Norton and Co., and Davidson Ore Mining Co., and, in addition, to pay to those companies sums aggregating $42,724 in American funds for ore supplied to Algoma Steel between May 1 and June 8, 1932.

The Supreme Court made the order upon the application of the Toronto General Trusts Corp. and the Trusts and Guarantee Co., trustees respectively under two mortgages to which Algoma Steel is a party, or mortgagor.

W. C. Franz, one of the receivers and managers of Algoma Steel Corp. made an explanatory affidavit that was filed in support of the application. In the statement, he said that on June 20, there were 166,661 tons of ore in stock piles adjoining the steel company's plant. The steel company, he continued, had paid $202,285 for transportation, insurance, unloading, excise taxes and premiums on grade on account of this ore. He explained that $462,911 would be payable for ore remaining in the piles on June 20 and that $42,784 is due for ore obtained from the piles between May 1 and June 8. He estimated that all the ore remaining in the piles will be required for the operation of the steel plant up to the opening of navigation in 1933.

The ore companies, he said, were willing to allow the receivers and managers of the steel company to use ore from the piles and pay for it at substantially the rates set forth in their contracts with Algoma Steel Corporation. The ore companies were willing, too, Mr. Franz said, to demand payment for the entire tonnage, providing they were paid the balance of $42,724 now owing to them.

He estimated that the transaction having regard to present market prices, would save the receivers and managers $237,305.

INTER-CITY BAKING DEFERS DIVIDEND

Common Stock Formerly on Annual Basis of 4 Per Cent

From Our Own Correspondent

MONTREAL—Directors of the Inter-City Baking Co., subsidiary of Lake of the Woods Milling Co., have taken no action on the common stock dividend usually payable at this time. The shares have been on a dividend basis of 4 per cent, payable semi-annually, since early in 1929.

Unsettled conditions in the baking industry are attributed to the suspension of dividends. Competition is still extremely keen and directors are anxious to conserve the cash position of the company until conditions improve.

Net earnings in the fiscal year ended Jan. 31, 1932, showed a moderate gain over the previous year, amounting to $331,643 compared with $316,254. After all charges, net profits were equal to $6.79 a share on the $2,129,500 of common stock.

Lake of the Woods Milling Co. will feel the effects of the dividend deferment as the company holds a substantial block of the common stock. Inter-City Baking Co. is active in Toronto, Montreal, Ottawa and Hamilton.

RELIANCE GRAIN PROFIT REPORTED AT FAIR LEVEL

Company Maintains Regular Disbursements on Preferred

From Our Own Correspondent

MONTREAL.—With declaration of regular quarterly disbursements on its preferred stock, Reliance Grain Co. maintains its position of being the only elevator company to maintain dividend payments on capital stock. Preferred payments have been paid regularly since the company's formation in 1927 at the rate of 6½ per cent.

Reliance Grain closed its fiscal year on July 31 and publication of its financial statement in the course of the next few weeks is expected to reveal earnings comparable to those of the previous period. Though some reduction is anticipated in view of last year's short crop, it is understood that profits have been relatively satisfactory. During the first half of its last fiscal year earnings were reported to be on a par with those of the same time in the previous year.

Profits Showed Gain

Earnings in the period ended July 31, 1931, were $506,114 compared with $110,132 in the previous year and profits after charges were equal to $8.25 a share on the $6.50 preferred stock. Balance, equal to 35 cents a share on the common, was transferred to surplus which totalled $925,927 at the close of the year.

Prospects for the current year are more encouraging than those encountered at August 1, 1931. Indications are that a substantially larger crop will be harvested in Western Canada with a resultant stimulus in activity at country elevator points.

Reliance Grain operates 158 line or country elevators and controls over 50 others. Total storage capacity of line elevators is 6,100,000 bushels and a terminal elevator at Port Arthur owned by the company has a capacity of 4,000,000 bushels.

Smaller Need Of Newsprint By Canadians

From Our Own Correspondent

MONTREAL.—Canadian newspaper publishers had less need for newsprint paper in the first half of 1932 than for the corresponding period of 1931, judging by estimates of consumption based upon returns of the News Print Service Bureau.

For the first six months this year production amounted to 999,885 tons of which 933,449 tons were exported, leaving a balance at home of 66,436 tons. Added to this is the drop in mill stocks from 54,214 to 50,029, making a total apparent consumption of 70,251 tons. As imports of newsprint are negligible, no consideration is given to them in this compilation.

Comparative figures for the first half of 1931 show a production of 1,150,768 tons and exports of 1,025,671, leaving 125,097 tons for domestic needs. At the same time stocks on hand increased by 20,283 tons to 45,229 tons, bringing the apparent consumption down to 94,814 tons, or 24,563 tons more than recorded this year.

There's just that whisper of jauntiness about a hat "by Wolthausen" that sets it aside from most other hats . . . a carefully styled touch that smartly dressed men appreciate.

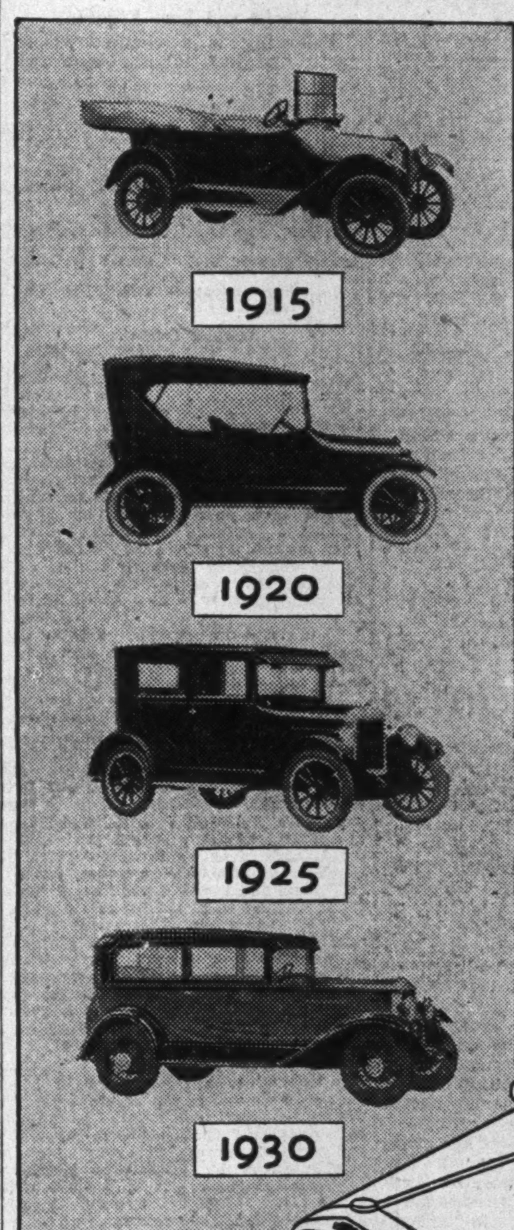
WHEREVER WELL-DRESSED MEN CONGREGATE

A complete price range

The BROCK
The ST. LAWRENCE
The HORTON

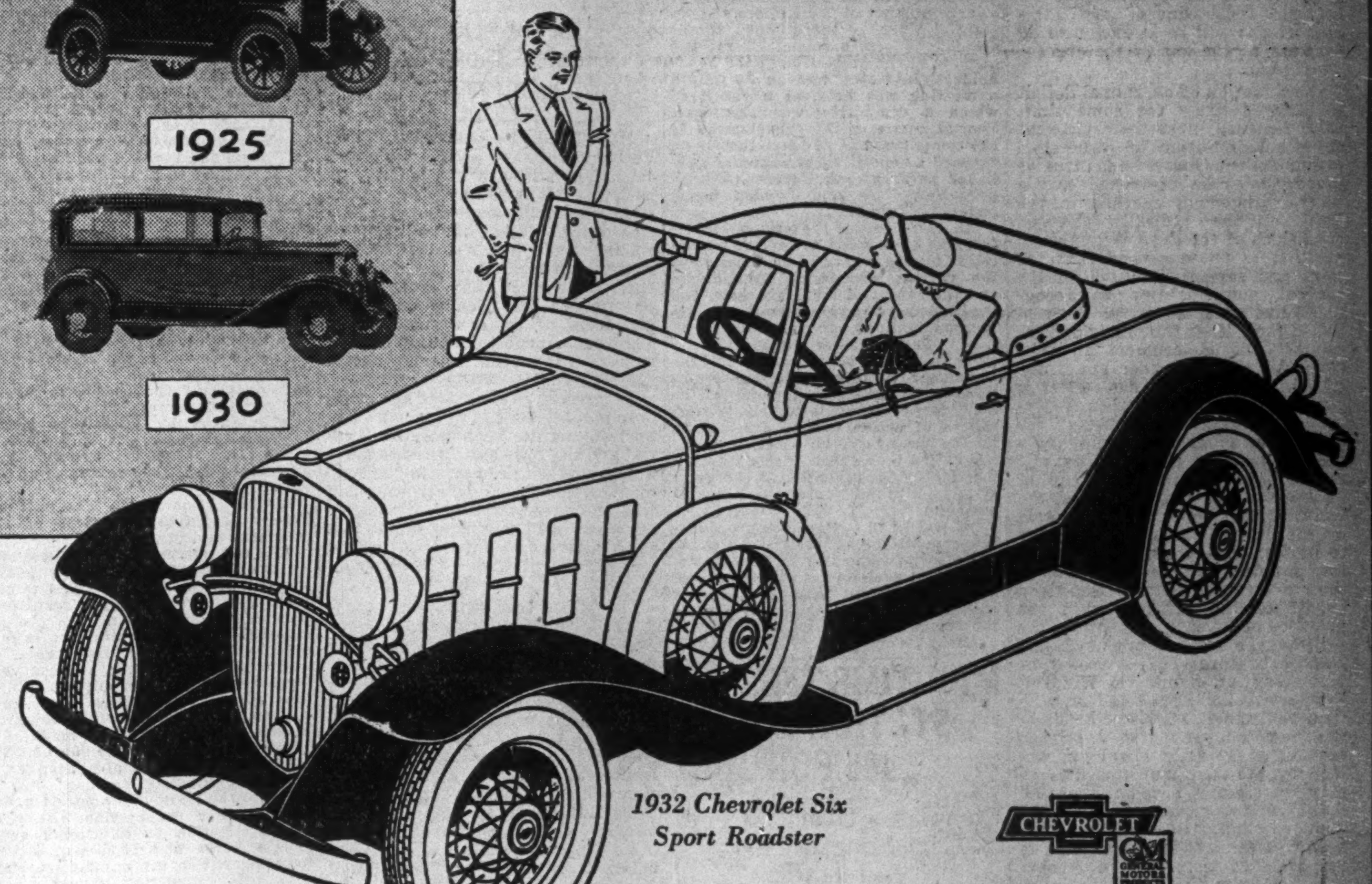
HATS by WOLTHAUSEN, BROCKVILLE

Hatter to Gentlemen for over half a century.



for 17 years

CHEVROLET has been the GREAT CANADIAN VALUE



1932 Chevrolet Six Sport Roadster

VALUE! That's what has kept Chevrolet cars year after year in the van of automobile sales. That's why Canadians bought more Chevrolet Sixes in the first six months of 1932 than any other car regardless of price. Because for seventeen years, ever since it was first built in Canada, Chevrolet has maintained a reputation for giving greater dollar-for-dollar value than anything else on wheels.

What other car today anywhere near Chevrolet's low price can give you anything approaching Chevrolet's *completeness?* Not one! Where, for instance, can you get Syncro-Mesh gear-shifting and Free Wheeling, smartly-styled Fisher bodies, six-cylinder smoothness and economy, four parallel-mounted springs, full instrument panel, full 109-inch wheelbase, and all the other features without which no 1932 car can possibly be called up-to-date? Nowhere but in the Chevrolet Six—unless you want to pay several hundred dollars more than Chevrolet's price!

Don't take our word for it. Take out a new Chevrolet Six instead. Give it the toughest drive you can think of! Put it over the bumps, or stream along the highway. Slip over the hills; sail through the sandy stretches. Prove to your own satisfaction, as thousands of other Canadians have proved to theirs, that Chevrolet is beyond challenge "The Great Canadian Value".

CHEVROLET SIX

PRODUCED IN CANADA

THERE IS A CHEVROLET DEALER NEAR YOU TO SERVE YOU

Utilities and Transportation

CHANGE CONTROL OF WINDSOR RLY. REPORT ADVISES

A. E. K. Bunnell Brings in Report on Border Cities Line

DEFICITS AHEAD

Sandwich, Windsor, East Windsor and Walkerville Would Assume Responsibility

Recommending the purchase of the Sandwich, Windsor & Amherstburg Railway by the municipalities of Sandwich, Windsor, Walkerville, East Windsor and the change from management by the Ontario Hydro Electric Power Commission to local control are the chief recommendations of an intensive survey of the operating position of the railway undertaken by A. E. K. Bunnell and recently submitted to the municipal councils in the Border Cities. Operation of the railway would be confined to those municipalities in which railway traffic is sufficiently heavy to permit operating profits and if service was to be continued in the smaller municipalities, those municipalities should provide for any deficit incurred on operation in their territory.

In an agreement entered in 1920 between the Essex Border municipalities and the Ontario Hydro Electric Power Commission, each municipality agreed to be responsible for the respective share of the indebtedness created for or by the railway. For the year ended October 31, 1931, the railway had a deficit of $147,993, which was charged to the 11 municipalities concerned and further substantial losses were incurred in 1931. Due to the critical financial position of seven of the Essex Border Municipalities, the four municipalities which are not in default, Windsor, Walkerville, Ojibway and Amherstburg, have been forced to temporarily take on the deficit incurred by the railways.

Impairment Near 20 p.c.

The Bunnell report recommends that operating costs be further reduced and that the railway be operated as a street car system for the urban zone rather than a regional railway. That the financial control and management of the railway be simplified with control and the management vested in those municipalities which give the most support to the railways; and that all new building developments should be directed into the area already served by the railway. At October 31, 1931, it is stated that capital investment in the railway was impaired to the extent of $1,091,904 or 17 per cent of its bonded indebtedness and this impairment will be in excess of 20 per cent at the end of the current fiscal year.

Continuation of an annual deficit is believed likely for some time. It is believed most desirable that the whole question of ownership, provincial guarantee and trustee management be re-opened and a new arrangement reached in the light of the radically changed conditions of the day. With this in view, it is recommended that the joint and several liabilities of the several municipalities be recognized and accepted as an accomplished fact. That the municipalities request the government to take over the railway under guarantee of the Ontario Hydro Electric Power Commission's bonds together with such proportion of the debentures of each of the municipalities held as collateral as will represent the impairment of capital at the date of taking over; that the railways and undertakings be sold by the province to a new company to be formed and controlled by the four municipalities in proportion to their present debentures issued on behalf of the railway; that the province accept as payment for the railway the balance of the deposited debentures of these four municipalities, Sandwich, Windsor, Walkerville and East Windsor, with such additional amount of bonds of the new company issued on the security of the railway and guaranteed by the four municipalities as may be found proper; that all liabilities for deficits and impairment of capital to the date of the new arrangement be a debt payable by each municipality in proper share as per the Hydro regular agreement, but from that date the several municipalities be relieved of any obligations in connection with the railway except to insure to it the franchise right it now enjoys within their borders to be exercised by it at its option; that hereafter any transportation outside the limit of the four major municipalities be subsidized to the extent of any deficit occasioned in providing such service by the municipal corporation or corporations requesting same.

Cost Would be $4,651,922

The amount of the debentures of each of the 11 municipalities to be taken over by the province on the basis of the estimated capital impairment at the end of the railway's current fiscal year aggregates $1,164,283. The amount to be paid for the property by the four major municipalities would be $4,651,922 for which would be available the balance of their deposited debentures of the face value of $3,783,446 which, if accepted by the province at par would leave $868,476 to be paid in first mortgage bonds to the railway. It is suggested that the four municipalities should receive stock in the proposed company in proportion to the present liabilities of each of the municipalities. Each of the municipalities would have a representation on the company's board in proportion to its investment. While it is believed that the management of the railway by the Hydro Electric Power Commission has been economical, it is suggested that need for the railway has changed since the management was taken over by the Hydro and that management in future should be purely local.

De Forest Sound Offers "Rights" On New Stock

From Our Own Correspondent

MONTREAL.—De Forest Sound Equipment Co., which recently bought all of the assets of the De Forest Phonofilm of Canada (in liquidation), is extending "rights" to the shareholders of the latter company to purchase stock in the new enterprise.

Capitalization of De Forest Sound consists of 20,000 shares divided into 10,000 of 8 per cent preferred non-cumulative shares of a par value of $2 a share and 10,000 common shares of no par value.

"Rights" extended to the old shareholders of De Forest Phonofilm cover the purchase of 10 shares of preferred and 5 shares of common stock for $20 irrespective of what their former holdings were in De Forest Phonofilm.

Expect Earn Dividend

It is pointed out in a circular issued by De Forest Sound that under great difficulties, owing to insufficient working capital, De Forest Phonofilm for the six months prior to liquidation earned for the period from May 1 to October 31, 1931, $13,758. Since then overhead expenses have been materially reduced and the new company expects to be in a position to earn the preferred dividend by a comfortable margin.

Further inducement offered to prospective purchaser is the deduction of a 10 per cent "commission." In other words, 10 shares of preferred at $2 and 5 shares of common at 40 cents each, would cost $22. Deduction of 10 per cent "commission" brings the net cost to the purchaser down to $20 for the lot.

NOR'WEST POWER COMMITTEE ASKS DEPOSIT OF BONDS

Holders Can Withdraw Within 30 Days if They Do Not Like Plan

From Our Own Correspondent

MONTREAL.—The bondholders' protective committee of Northwestern Power Co. have dispatched a letter to bondholders asking for their support and to that end request the deposition of bonds with the depositary not later than September 15 next. The letter also points out that the members of the committee are serving without compensation and that bondholders depositing their bonds may withdraw them within 30 days after filing of the approved plan if they do not approve of the committee's scheme.

The letter, which is signed by all members of the committee, reads in part as follow:

"The July 2nd interest on the above bonds has not been paid. After consultation with the representatives of a large number of the holders of substantial blocks of these bonds, it was decided to form a committee for the purpose of the protection of the bondholders' interests, and on July 19th a meeting was held, as a result of which a committee was organized. Formal notice of the organization of the committee and of the intention to prepare a deposit agreement was published in Montreal, Toronto, Winnipeg, New York and London newspapers on July 21st.

"In constituting the committee effort has been made to give representation having regard to the location of the various groups of bondholders and the extent of their interests, and the members have agreed to act thereon without compensation.

Seek Further Support

"It is of course necessary for the committee to investigate the condition of the company and its affiliates from every angle before a proper course of action can be determined. In the meantime, in order that the committee may speak with authority, it is highly desirable that it represent as large a proportion of the bonds as possible.

"If and when a plan is approved by the committee, notice will be given to depositors who may, if they do not approve of such a plan withdraw their deposited bonds without expense within a period of thirty days after the committee has filed with the depositary its approval of the plan."

MARITIME TEL. STATION LOSS 406 FOR JULY

Complete Over 93 Per Cent Long Distance Toll Traffic

From Our Own Correspondent

MONTREAL. — Net loss of 408 stations is reported for July by the Maritime Telegraph and Telephone Co., operating in Nova Scotia. At the end of June the company had installed 40,617 stations and by the end of the following month, 40,211.

The Island Telephone Co., operating in Prince Edward Island and a subsidiary of Maritime Telephone, reported 5,799 stations at the end of June. There was a drop of 52 in July, leaving the number of stations installed at 5,747.

At the close of July connecting companies of Maritime Telephone had in use 6,604 stations, or 18 less than at the end of the preceding month.

Report Toll Traffic

The volume of long distance toll traffic reported by Maritime Telephone for July was 11,673 calls. Of this number 119,893 were completed, for a percentage of 93.1. The number of calls lost was 8,220.

The average percentage of completed toll traffic for class "A" exchanges was 92.1 per cent and for class "B" exchanges 95.3.

New England Power Production Improves

From Our Own Correspondent

MONTREAL — Frank Comerford, president of New England Power Association, states that definite improvement in industrial activity in many parts of New England is becoming apparent in the daily power production records of the association. The companies in the association group serve most of the industrial cities and towns in Massachusetts, Rhode Island and Vermont.

New England Power is controlled by International Hydro-Electric System.

MONTREAL POWER OFFERS EXCHANGE TO ISLAND POWER

Montreal Island Bondholders Offered Par for Par in Exchange

From Our Own Correspondent

MONTREAL. — Montreal Light, Heat and Power Consolidated has offered to bondholders of Montreal Island Power Co. an exchange of securities. For each $100 principal amount of Montreal Island bonds, together with $2.56 in cash, Montreal Power will give $100 par value of its own 5 per cent refunding collateral trust bonds, series B, due 1970.

This offer is open until November 1 next. If by that time 50 per cent in amount of the issued bonds of Montreal Island have accepted the offer, Montreal Power will have to exchange the securities. Montreal Power, on the other hand, reserve the right to exchange on the present basis whether or not 50 per cent of the bonds have been deposited.

Selling at Premium

The bonds to be issued by Montreal Power carry interest at the rate of 5 per cent in comparison with 5½ per cent for Montreal Island bonds. They are payable in Canadian, London or U. S. funds. Prior to the announcement of this offer, Montreal Island bonds were bid around 95, whereas the bonds offered in exchange by Montreal Power are bid at about 104.

Montreal Island came into being a few years back to develop a water power site on the Back River, a few miles from the centre of Montreal. The development covers the installation of 10 units with a minimum generating capacity of 65,000 and a maximum capacity of 92,500 h.p. The wide variation in productive capacity is due to the flood conditions prevailing on this stretch of water.

Financed in 1927

Financing was carried out by Nesbitt, Thomson & Co. in the early part of 1927 and 1929 with an offering of $9,250,000 of first mortgage bonds. Later in 1927 there was a public offering of $1,000,000 of 6 per cent cumulative preferred.

At that time majority ownership of the common rested with Montreal Power, which had contracted to take all of Montreal Island's output of electrical energy. In April this year Montreal Power made an offer of exchange with the common shareholders, on the basis of share for share. It is understood that Montreal Power now has more or less complete control of the common, including the block originally held by Power Corp.

CANADIAN PACIFIC SHARES ATTRACT WIDER ATTENTION

Forecast of Duff Report Creates Speculative Interest

From Our Own Correspondent

MONTREAL. — Canadian Pacific Railway ordinary shares displayed consistent strength and activity on both the Montreal and New York stock exchanges over the past several days. There have been no official developments of late to warrant the upward move in the shares, but, on the other hand, considerable prominence has been given to the prospects of an early and heavy grain movement from the West and rumors of favorable consideration in the Duff report on the railways.

At present prospects of the grain crop in the West are promising. Export buying has been more substantial and the railways expect to move a larger volume of grain to the head of the lakes before freeze-up than was the case last year. Prospects of enhanced earnings from this source have undoubtedly played an important part in the present strength of the company's shares.

Look to Duff Report

The most stimulating factor, however, has been the persistent rumors of the early release of the Duff report.

Though it was officially stated when the rumor first made its appearance that the report had not been prepared, there is wide belief in the story that the Duff Commission will make certain recommendations favorable to the Canadian Pacific. One rumor forecasts that the railway properties of the Canadian Pacific will be segregated from other assets and placed with those of the Canadian National under a commission of three Canadians. Sir Joseph Flavelle and Sir Henry Drayton are two names frequently mentioned for this board.

Keep "Other" Assets

Other assets of the Canadian Pacific will be left untouched. In return for the railway assets taken over, it is rumored that the Dominion Government will guarantee a return of 5 per cent on the capital invested.

There is no official confirmation to be had on these stories. The Duff report is looked for some time next month, though earlier it was stated that there was a possibility of its being released in August.

Montreal Studies Plan Secure Own Electricity

From Our Own Correspondent

MONTREAL. — Montreal civic fathers are again giving consideration to the feasibility of the city securing its own supply of electrical energy. To that end it is proposed to erect a power station at the south end of the municipal aqueduct. A large piece of land was bought for the plant site some time ago and though the matter of going ahead with the municipal power plant has been discussed in the city councils on several occasions, no definite action has been taken to date.

For many years the city has secured its supply of electrical energy from Montreal Light, Heat and Power Consold. The city has, in all, some 345 public buildings to light in addition to the streets and parks. Two years ago the contract with Montreal Power expired and the city has not yet renewed it. The Chairman of the executive committee of the council is quoted as saying that a new contract will not be entered into with Montreal Power until the possibilities of the city power scheme were thoroughly investigated.

NATIONAL STEEL CAR'S REVENUE IS OFF SHARPLY

Returns for Past Fiscal Year Include War Reparations

From Our Own Correspondent

MONTREAL.—Net income of National Steel Car Corp. in the fiscal year ended June 30, 1932, including the reparations award less expenses incidental thereto, was $59,482. This compared with net earnings of $440,595 in the previous year and $1,803,791 in the year before that.

Shareholders who were looking forward to details of the reparations award made to the company last year will be disappointed; the sum, whatever it was, is merged with the operating loss for the year. After provision for depreciation of $50,000 there remained a net profit of $9,482 which compared with dividends paid during the year of $221,000. A deficit of $211,518 resulted, and surplus was diminished by that sum to $5,408,442.

Balance Sheet Strengthened

The outstanding feature of the report is the improvement in balance sheet position. Cash, call loans, and investments have been doubled, accounts payable sharply reduced and bank loans eliminated. Current assets now equal 33 times current liabilities whereas at the end of the previous year the ratio was 3 to 1.

It is pointed out that in the year under review no car equipment was ordered by the railroads. Products manufactured and shipped last year had a value of $659,906 which compared with $6,339,601 in the previous year. Sales were made primarily to the automotive industry.

Profit and Loss Figures

Following is a comparison of profit and loss for the past two years:

	1932	1931
	$	$
Net earnings	*59,482	440,595
Less: Depreciation ..	50,000	100,000
Net profit	9,482	340,595
Less: Dividends	221,000	260,000
Surplus for year	‡211,518	80,595
Add: Prev. surplus ..	5,619,960	5,539,365
Balance forward	5,408,442	5,619,960

*Including reparations award less incidental expenses.
‡Deficit.

Working Capital

	1932	1931
	$	$
Current assets	1,524,917	2,571,930
Current liabs.	46,542	878,420
Working capital	1,478,375	1,693,510

Strong Cash Position

The balance sheet shows many important changes. In the first place it will be seen that though current assets have been reduced by over $1,000,000 current liabilities have been lowered by over $800,000 leaving a net decline in working capital of $215,135. Ratio of current assets to current liabilities is now about 33 to 1.

The drop in current assets is mainly due to reduction in accounts receivable which have dropped from $1,442,011 to $63,071. Inventories are lower by some $230,000 at $142,789. On the other hand cash is up $30,000 at $44,944; and a new item, Dominion and Provincial bonds, at cost, is shown at $816,422. Market value of these bonds at the end of the year was $723,750.

Further, call loans total $326,428; at the end of the previous year call loans and investments were placed together at $639,090. In short, cash, call loans and investments have risen from $652,958 to $1,187,794 at the end of last year, an indication that considerable sums have been placed in reserves.

New machinery installed last year cost $65,288 which increased fixed assets to $6,083,771. Total assets are down $993,395 at $7,615,804. Patents and goodwill are still carried at $1.

Bank Loans Gone

In liabilities, bank loans of $155,824 shown at the end of the previous year are eliminated. Accounts payable have dropped from $684,456 to $31,437 and miscellaneous reserves have been reduced by $18,000 to $4,223. Depreciation reserve is up $50,000 at $2,160,819. Capital structure is unchanged at 130,000 shares of no par value.

In his remarks to shareholders Robert J. Magor, president of the company, said in part:

"No car equipment was purchased by the railroads during the period covered by this report. This is not surprising in view of the conditions that existed, but taking the present crop and other important factors into consideration, it is reasonable to expect that during the current year there should be some buying. Under the adverse conditions that have existed it was impossible to show profits. The limited sales made have been primarily to the automotive industry, which has also been on a reduced production basis.

"Since the close of the period under review, your corporation has gone into production on additional automobile parts and if there is any improvement in the automotive business this production should be of sufficient volume to contribute materially toward unavoidable overhead expenses. There are miscellaneous lines which your corporation's plant is producing in a satisfactory manner but owing to conditions the turn-over is small."

U. S. Advertising Linage Falls Away During July

From Our Own Correspondent

MONTREAL.—Editor and Publisher reports that advertising linage in American newspapers during July, after lifting slightly in June, settled back to a point slightly lower than the previous low record, which, in percentages, was touched in May of this year.

On the basis of Media Records measurements of the newspapers in 52 large cities, total July linage showed a loss of 25.6 per cent as compared with July last year. Classified advertising made the best showing in July, with a loss of 18.6 from July of 1931. Retail advertising also held a trifle better than total advertising, with a loss of 24.1 per cent. On the other hand general advertising dropped 31.3 per cent. Automobile advertising, which has made wide fluctuations this year, showing a small gain in June, dropped back to 31.9 per cent loss in July.

Sterling Oil at Capacity

Moose Jaw's most recent industry, the Sterling Oil Refineries Limited, is kept working at high capacity, turning out 800 barrels, or 25,000 gallons of refined gasoline and oil per day. These products are sold in practically all parts of the province.

UNTREATED EASTERN
CEDAR POLES
25 ft. to 50 ft.
ALFRED E. COWLING
Scotstown Que.

Public Utility Earnings

East Kootenay Power

	1932	1931	Decr.
June	$	$	$
Gross earn.	38,390	38,949	559
Oper. exp.	11,391	12,168	777
Net earn.	26,999	26,781	*218
3 Mos. end. June 30:			
Gross earn.	105,048	127,048	22,000
Oper. exp.	34,424	38,134	3,710
Net earn.	70,624	88,914	18,290

*Increase.

Winnipeg Electric Co.

June:	1932	1931
	$	$
Gross earnings	427,820	457,137
Oper. expenses	311,521	331,187
Net earnings	116,299	125,950
Six Months end. June 30:	1932	1931
	$	$
Gross earnings	2,910,271	2,974,616
Oper. expenses	1,996,183	2,060,767
Net earnings	914,088	913,849

Manitoba Power Co.

June:	1932	1931
	$	$
Gross earnings	121,667	106,793
Oper. expenses	20,884	27,230
Net earnings	100,783	79,563
Six Months end. June 30:	1932	1931
	$	$
Gross earnings	745,795	613,046
Oper. expenses	152,101	146,872
Net earnings	593,694	466,174

BONDHOLDERS ACT ON PRICE BROS. & CO.

Tentative List of Personnel Issued on Protective Committee

From Our Own Correspondent

MONTREAL — Organization of a bondholders' protective committee on Price Bros. and Co. is virtually completed. At present it is expected that the personnel will comprise: Ross H. McMaster, president, Steel Company of Can., Montreal; Thomas Bradshaw, president North American Life Assurance Co., Toronto; Hon. John Hall Kelly, K.C., member of Legislative Council, Quebec; James A. Eccles, president, Harris, Forbes & Co. Limited, Montreal; W. Eugene McGregor, president, Chase Harris Forbes Corp., Boston, and Murray W. Dodge, executive vice-president, Chase Harris Forbes Corp., New York.

It is reported that some difficulty had been experienced in earlier negotiations, American bondholders asking for larger representation on the committee than the Canadian holders were willing to concede.

Since Lord Beaverbrook withdrew his plan of reorganization for Price Bros. and Co. considerable speculation has been aroused as to the next course of action. Though the English peer is not personally represented on the board, it is expected that he will play an inportant part in any scheme affecting the company, not only because of his large holdings of common stock, but also because he is the principal customer for Price Bros. and Co.'s newsprint.

ASHLEY MILL IS TUNING UP

Matachewan Enters the Ranks of Ontario's Growing Gold Camps

This week another gold mine entered the ranks of the producers when the new mill at the Ashley Gold Mining Corp. was started. This property is controlled by the Mining Corp. of Canada and was staked by its prospectors less than two years ago. The rapidity with which this property has been developed speaks volume not only for the promise of the find but for the efficiency of the management.

Particular significance is attached to this new operation as it is the first producer in the Matachewan area Ontario and is pioneering renewed interest in the area.

B. C. E. R. Signs Contract With City of Vancouver

From Our Own Correspondent

MONTREAL. — British Columbia Electric Railway, operating subsidiary of British Columbia Power Corp., concluded a new agreement with the Vancouver City Council last month whereby the 7 cent fare schedule, with slight modifications respecting school children's fares, will be maintained for a further three years.

The annual statement of B. C. Power Corp. for the fiscal year ended June 30, 1932, is expected shortly. The interim monthly reports on earnings would indicate that the company has covered the dividend requirements on its class "A" stock, which amount to $2,000,000 yearly.

Bell Telephone Co. Sign Trans-Atlantic Contract

From Our Own Correspondent

MONTREAL — An agreement between the Bell Telephone Co. of Canada, Canadian Marconi Co., and the British Post Office Department resulted in the opening last month of the Trans-Atlantic telephone service whereby Montreal became the clearing house for all calls between Bell telephones in Ontario and Quebec and the telephones of England, Scotland, Wales, Northern Ireland and the Isle of Man.

It is anticipated that this all-British overseas service will be extended in the near future to include messages between all parts of Canada and many other sections of the European continent.

Canadian and Foreign Power Alter Stock Value

From Our Own Correspondent

MONTREAL. — According to the latest issue of the Quebec Official Gazette, supplementary letters patent have been issued to Canadian and Foreign Power Company, ratifying a special by-law of the Company as follows: That the share capital of Canadian & Foreign Power Co. be reduced from $1,000,000 to $500,000, such reduction to be effected by reducing the par value of all the shares of capital stock of the company from $100 each to $50 each and reducing the liability on all such shares to the extent of $50 on each such share.

ECONOMY REPORT IS EMBARRASSING TO CABINET IN B.C.

Prepares to Issue Own Comments at Same Time

From Our Own Correspondent

VANCOUVER. — Developments following presentation of the Kidd report to the provincial government have been rather complicated. The Kidd committee, composed of some of the province's leading business men, made a penetrating analysis of the government's financial condition and prepared a long list of drastic measures of reorganization.

The provincial government freely accepted the voluntary services of the committee, but now that the report has been completed, it is apparently not so ready to accept the result. Ministers did not hide their surprise at some of the recommendations and ordered their clerks to check up facts and figures quoted in the report so as to be ready to combat some of the proposals when the proper time came.

It was announced that the document, 150 pages long, would not be given to the press until August 30, by which time the government would be in a position to give out a statement explaining its own reaction. This plan was evidently adopted with a view to depriving the Kidd report of some of its sting.

It is known that the report spares no language in attacking the system of party politics and patronage.

It is not too much to expect that the government will adopt as many of the recommendations as it believes are reasonable and then go to the country. But the question of coalition, frankly urged in the report, will be charged with difficulties, one of the major ones being the unqualified opposition to this form of government by the recognized leaders of the Liberal party in B. C.

The Kidd report is said to recommend a government of six cabinet ministers and a legislature of only 14 members, one for each federal riding. It urges reduction in the budget by $6,000,000, closing of the University of British Columbia if the government is unable to continue its usual grants, and abandonment of the Pacific Great Eastern Railway.

Hardware Buying Seen as Dealers Fill Shelves

A steady increase is reported by jobbers in trade orders for fall merchandise as dealers protect their requirements in early selling lines. Buying has improved in such items as ammunition, guns, rifles, stove and furnace pipes, eavestrough, roofing, shovels, furnace scoops, and allied products. In some territories, this development is more advanced than others, states Hardware and Metal, Toronto.

Wholesalers in western Canada are looking for considerable replacement business in hardware lines this fall, including lamps, lanterns, stoves, ranges and other household equipment. With the heavy crop now being harvested, it is believed farm finances will be improved, and that this may bring a buying movement to replace worn-out equipment.

Retail hardware merchants are bending their selling efforts toward reducing stocks of summer goods still on hand. Special displays, advertising and prices are combined to attract public attention and purchases. With the careful buying which has featured dealer purchases in seasonable lines, it is believed that carry-over quantities should be comparatively light.

Winnipeg Electric Co.'s Income Off During June

From Our Own Correspondent

MONTREAL—Decline in both gross and net operating income in June is reported by Winnipeg Electric Co. Gross revenue amounted to $427,820 and operating expenses $311,521, leaving a net income of $116,299. For the same month a year ago income totalled $457,137 and expenses $331,187, making a net return from operations of $125,950.

Cumulative returns for the six months ended June 30, 1932, recorded a gross income of $2,910,271. After the deduction of operating expenses there remained net earnings of $914,088. For the same period of the previous year gross revenue totalled $2,974,616 and net earnings $913,849, a gain for this year of $239.

Manitoba Power Co. Earnings Move Ahead

From Our Own Correspondent

MONTREAL—Manitoba Power Co., subsidiary of Winnipeg Electric Co., reported gross earnings in June last of $121,667, as compared with $106,793 for the same month in 1931. There was a drop in operating expenses, leaving net earnings of $100,783, or $21,200 more than in June last year.

Cumulative returns for the half year ended June 30, 1932, reveal a gross income of $745,795, from which was deducted operating expenses of $152,101, leaving net earnings of $593,694. For the first half of 1931 gross revenue totalled $613,046 and operating expenses $146,872, making a net operating income of $466,174, or $127,520 less than that reported for the first six months of this year.

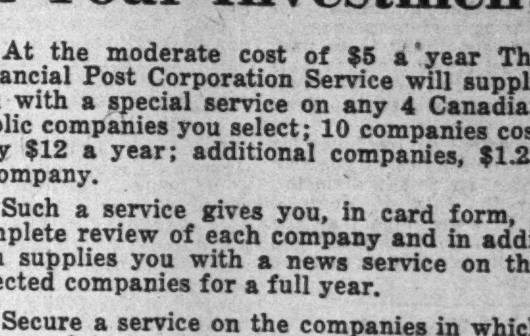
Plant to Reopen

General Motors plant at Oshawa, Ont., closed for its usual summer plant rearrangement and inventory, will reopen about Sept. 15. The management announces that surplus cars on hand are only sufficient to carry over the shut-down, as it is desired to resume production early in the fall and to maintain it without interruptions throughout the fall and winter.

Abitibi Power & Paper Company, Limited
TORONTO, ONT.
Owning and operating mills at
Murray Bay, Que. Sault Ste. Marie, Ont.
Beaupre, Que. Iroquois Falls, Ont.
Sturgeon Falls, Ont. Smooth Rock Falls, Ont.
Espanola, Ont. Fort William, Ont.
Pine Falls, Manitoba
Daily Capacity 2200 Tons Newsprint
Groundwood Pulp News Sulphite Pulp
High Grade Bleached Sulphite Pulp

From 5 to 20 percent
APPRECIATION
During the past few weeks, high-grade bonds, purchase of which we have consistently recommended, have shown substantial price appreciation, ranging from 5 to 20 per cent.
This is undoubtedly a reflection of the improvement in commodity prices, a more confident business sentiment, and other helpful influences working for national betterment.
Many high-grade bonds are still available at prices below their intrinsic worth, affording comparatively generous yields.
Our present investment list includes Dominion and Provincial Government, Municipal, Corporation and Utility bonds at yields of 4.75% to 8%.
May we send you particulars?
NESBITT, THOMSON and Company Limited
355 St. James Street West, Montreal
Quebec Ottawa Toronto Hamilton London, Ont.
Winnipeg Saskatoon Calgary Victoria Vancouver

GEORGE A. FULLER COMPANY of CANADA LIMITED
BUILDING CONSTRUCTION
DIRECTORS
R. G. Babbage D. I. McLeod
W. A. Black H. T. Hunter
L. R. Crandall N. L. C. Mather
Geo. T. Pepall Wilmot L. Matthews
J. J. Gibson J. F. McPherson
Hon. J. M. Wilson
TORONTO
MONTREAL
SERVICE EXPERIENCE ORGANIZATION



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News of Investment Markets

ECONOMISTS SCAN POOR INVESTMENT IN FOREIGN BONDS

Better if Private Investors Did Not Buy, One Avers

BILLIONS IN DEFAULT

Russia at Least Repudiated Its Issues Directly and Without Equivocation

By A. F. W. PLUMPTRE
Lecturer in Money, University of Toronto

WILLIAMSTOWN, MASS.—Two billion dollars' worth of foreign investments of the United States in complete default was the estimate by Dr. Max Winkler, president of the American Council of Foreign Bondholders, in an address, interesting to Canadian investors, delivered before the Williamstown Institute of Politics. However, he also pointed out that Americans had lost no more heavily upon foreign than upon home investments, and had had the pleasure of going several thousands of miles in order to make the losses.

The purpose of the loans, he claimed, had seldom been considered. Fantastic public works had been undertaken by foreign governments to satisfy the insatiable American appetite for foreign bonds. More education of the investment houses as well as of the investing public was the great necessity if American foreign investment was to be started again and maintained upon a stable basis.

New Bond Methods

Agreement with the need for a change in the methods of American bond selling from high-pressure sales to the more conservative English manner of distributing bonds was expressed by Leland Le Robinson, president of the International Securities Corporation of America. He also pointed out that bond salesmen had attacked the small American bankers as well as the great American public: and that the banks which have been failing in the West have held "a surprisingly large amount" of foreign bonds.

Professor T. E. Gregory, of the London School of Economics, suggested that since all the channels to guide foreign investment wisely existed in the London money market but the source was, at least temporarily, dried up, while on the other hand the surplus savings of the American public were likely to start flowing abroad soon, it might be possible for London and New York to co-operate more closely than in the past. However, in spite of the fact that London's ability to lend is not very great, recently the volume of international loans floated there has exceeded those floated in New York. Thus London has returned to her old supremacy in the field of international lending—"at least until the Americans recover their nerve or until their salesmen invent a new set of stories."

Precedent of 1840's

Comparing the present breakdown of international lending with that which took place in the 1840's, Mr. Robinson said that, at that time, Americans were highly indignant at being unable to borrow in London. In fact it was almost impossible to float American loans in Europe because there had spread, in the United States, "the dangerous doctrine of repudiation." Nevertheless, in spite of defaults, international lending had eventually sprung up again; and the whole world had benefitted—lenders and borrowers alike.

Talk of repudiations raised the subject of Russian. Referring to the recent discussions in New York upon the possibility of flotation of Russian bonds, Mr. Winkler said, "Russia refuses to pay old debts: as for new debts, she waits until they grow old." Nevertheless he complimented the honesty of Russia in comparison with some other countries by saying, "Had Russia announced 'willingness but inability' to pay we should not have waited until now for new Russian bonds to be floated in New York. We are indebted to Russia for her outright repudiation of her debts to us."

Mr. Robinson also had a bad word to say for defaulting debtors. Many of the debts were incurred by irresponsible politicians, he claimed, whose doctrine was:

"There, little deficit,
Don't you cry!
You'll be a bond issue
Bye and bye!"

Need More Information

As practical suggestions which might stop a recurrence of the present situation Mr. Robinson urged that other stock exchanges throughout the country should follow New York in attempting to ascertain all possible information about the securities they listed. Nevertheless, he admitted that trustworthy information could not always be discovered by the New York Exchange. He also recommended that foreign governments should be more careful about their borrowings and should restrain and limit their municipalities' visits to foreign issue markets.

A. I. Henderson, New York banker and lawyer, suggested that the right way to reduce loans to foreign governments might be to forbid the sale of foreign government securities to private individuals. Only governments should lend internationally to governments, he contended, because of the unequal legal status of government borrower and foreign private lender, and because most government borrowing was "unproductive" in character and thus the payment of service on the loans depended entirely upon the willingness of the public to be taxed over a long period of years for the benefit of foreign bondholders.

Repudiation by Germany

The majority of speakers have been in agreement that the cancellation or at least drastic reduction of war debts by the United States is a necessary preliminary to the revival of confidence and recovery of business. "We cannot afford to receive payment of those debts," said Prof. J. H. Williams of Harvard. And Prof. Gregory predicted that since, under the "gentleman's agreement," the recent cancellation of German reparations at Lausane would not be ratified unless concessions were forthcoming from the United States, the whole reparation question might have to be reopened. The result of this, he said, would be a flat refusal to pay on the part of Germany; and if any of the allied powers pressed their claims by threats there would be a repudiation of Germany's vast private debts, most of which are owed to citizens of the United States. The result of such wholesale repudiation would be a staggering, if not a shattering blow to the international capital markets.

Associated Brew. Sales Maintained

From Our Own Correspondent

MONTREAL. — Sales of Associated Breweries of Canada to date have been fairly well maintained and it is reported that earnings have been sufficient to cover disbursements on the common shares. The stock, of which there are 224,600 shares issued, is on an annual dividend basis of 60 cents a share.

Improved crop prospects lend encouragement to the immediate outlook. The company, which is active in Alberta and Saskatchewan, is quick to feel the effects of crop conditions; earnings in 1931 were $347,627 compared with $524,427 in the previous year and $836,683 in the year before that.

The last balance sheet showed an extremely liquid position with current assets of $838,593 as compared with current liabilities of $2,231. Government bonds totalled $449,752.

NAT. GROCERS EARNINGS HOLD AT 1931 LEVEL

Profit Increased; Preferred Stock Earns $9.07 a Share

CASH IS HIGHER

Retired $1,086,500 Note Issue on August 15 By Raising Loan in Canada

National Grocers Co. maintained net earnings at $567,064 in the year ended June 30, 1932, a slight increase over the preceding year, and after depreciation, interest on notes outstanding, increased income tax and write-offs of bond discount and organization expenses, showed net profit of $268,215 compared with $234,570 in 1931. Since the preferred stock was all redeemed in the previous fiscal year, the company earned $9.07 per share on its 29,532 shares of $100 par value second preferred stock outstandinng. This compares with $7.94 earned in 1931, $9.10 earned in 1930 and $10.92 earned in 1929.

The 1932 income statement gives effect to redemption of $223,000 of the 6½ per cent notes during the past year and interest charges were reduced proportionately. The income and surplus account is as follows:

INCOME AND SURPLUS ACCOUNT
Years Ended June 30

	1932 $	1931 $
Net earnings	569,291	567,064
Less: Deprec.	112,330	121,504
Note interest	88,431	95,337
Income tax	52,315	40,919
Bond disc. & organ. expense	48,000	48,000
Net profit	268,215	234,570
Less: 1st pref. divds.	....	26,734
2nd pref. divds.	51,681	....
Surplus for year	216,584	234,570
Add: Prev. surplus	684,176	562,798
Less: Loss on equipment sold	4,294	....
Prior year adjust.	....	21,691
Transferred to contingency res.	87,089	31,869
Prem. on pfd. stock redeemed	....	56,656
Sale of Church St. property	....	52,976
	809,327	634,176

Working capital position was improved during the year. Inventories were reduced to $1,681,559 from $1,930,028 and cash increased to $305,613 from $81,300. Accounts receivable are slightly lower at $1,708,005 and advances on merchandise purchased amount to $60,585. Accounts and notes payable are up to $886,428 from $859,421 and accrued taxes to $53,284 from $48,287. Current liabilities have been reduced chiefly through the absence of the item "outstanding cheques, less bank balances" which amounted to $110,995 in 1931.

Working Capital Position at June 30

	1932 $	1931 $
Current assets	3,755,762	3,766,178
Current liabilities	939,712	1,020,479
Working capital	2,816,050	2,745,699
Ratio	4.0—1	3.69—1

Assets, other than current, include investments and mortgages at $181,527; cash on deposit with trustee, $3,542; deferred charges of $249,514 and land, buildings and equipment at $2,555,076. The latter item shows an increase of $33,000 while investments are some $6,000 higher. At June 30, 1932, the company had $1,086,500 of 6½ per cent gold notes outstanding which matured on August 15. The company secured banking accommodation in Canada and was able to retire this issue on August 15 although it is possible that the loan may be funded within the next few months.

Reserve for depreciation is up to $541,871 from $463,921 and reserve for contingencies has been increased to $118,958 from $81,869. In addition to the second preference stock there is outstanding 295,852 shares of no par value common stock. Dividends paid on the preference shares are cumulative from date of issue in 1925 and 1926 and to date dividends totalling 8¾ per cent have been paid. The balance sheet makes no provision for United States exchange on the note issue which was payable in United States funds.

ONTARIO POWER BOND DEPOSIT PROCEEDS WELL

Price Strengthens to Nearly 70 in Past Few Days

OFFERS POSSIBILITIES

Dealers Point Out Speculative Opportunity to Investors at Present Level

With deposit of bonds of Ontario Power Service Corp. progressing at what is claimed to be a satisfactory rate, no further information regarding the offer made by the Hydro Electric Power Commission of Ontario for Ontario Power Service Corp. is available. Bond dealers feel however that the deal will go through. While the offer states that 90 per cent of the bondholders must deposit their bonds by October 1, provision is made for extension of the time of deposit and the commission may purchase, if it desires, all of the bonds deposited whether or not they aggregate 90 per cent of the total issue. If 90 per cent of the bonds are deposited, the commission has obligated itself to their purchase by payments of 90 per cent par value in bonds of the Hydro Electric Power Commission of Ontario, guaranteed by the Province, bearing interest at the rate of 3½ per cent from October 1, 1932 to 1937, 4 per cent thereafter to October 1, 1942 and 5 per cent thereafter until maturity at October 1, 1952.

Ontario Power Service bonds are currently stronger and were quoted at 69½ on August 23. While this is higher than the market in recent weeks, it still appears to offer speculative opportunities to purchasers of the Ontario Power Service bonds in the opinion of many investment dealers. A spread of some ten points has existed between the current market for O.P.S. bonds and the existing markets for Ontario Hydro Provincial Guaranteed Bonds after giving effect to the proposed exchange.

Reasons for Spread

This spread is stated to be occasioned by several factors the chief of which is that the offer made by the Hydro Electric Power Commission of Ontario has yet to be accepted by 90 per cent of Ontario Power Service bondholders and until this offer is accepted, it is not absolutely definite that the deal will go through. In the event of the deal going through, no interest becomes payable until October 1, 1932, but this loss of interest on the investment would now be less than 50 cents per $100 par value of Ontario Power Service bonds. Another more minor objection is that there is some slight degree of nuisance attached to sending the bonds in and possibly a new Ontario Hydro bond would not be available for several weeks after October 1, or final date of deposit. The fourth and somewhat more important factor is that since the proposed Ontario Hydro issue would carry a mixed coupon rate, it might not be so attractive to private investors and to some extent would lack the market that exists for other Hydro bonds with a fixed coupon rate to maturity. Some bond dealers feel that while the proposed Hydro issue might sell somewhat under other Hydro issues the bonds would be in fair demands by institutions and that the item of marketability would not be an important drawback to the proposed issue. The fact that there will be $18,000,000 of the proposed issue outstanding would indicate that there might be a fair market.

Offers Good Yield

From the standpoint of the investor wishing to secure a much higher than usual yield on Ontario Guaranteed Bonds or from the standpoint of the investor wishing to secure an appreciation of capital over the course of a few months, the Ontario Power Service bonds are being suggested as reasonably attractive speculation by a number of bond houses. The prices and yields to be secured from the proposed new Hydro issue on the basis of exchange for 90 per cent par value of the new issue for bonds of Ontario Power Service, have been worked out as follows:

PRICES AND YIELDS

Rate of Interest %	Corresponding Price of new Govt. Bonds	Equiv. price in terms of present Ontario Power Service Bonds
5.00	90.02	81.02
5.25	87.05	78.35
5.50	84.21	75.79
5.75	81.48	73.33
6.00	78.87	70.98
6.25	76.37	68.73
6.50	73.97	66.57

As an example, if a holder of $1,000 Ontario Power Service bonds receives $900 par value of the new Ontario Hydro bond, and the latter were sold on October 1, 1932, at a 5¾ per cent yield rate or 81.48, the investor would receive $733.32 for his $900 of Ontario Hydro bonds which have been received for $1,000 Ontario Power Service bonds which can be purchased currently at around 69½. This would represent a profit of some four points secured within a period of two or three months. On the other hand, by buying Ontario Power Service bonds at 68.73, a yield of 6.25 per cent would be received from the Hydro Bond to maturity in 1952.

CANADA BREAD EARNINGS HOLD NEAR 1931 LEVEL

Earned $15.70 on First Preferred Shares—$4.35 on Class B Shares

CASH IS HIGHER

Working Capital Improved With Ratio Up to 2.1-1— Sets Up Special Reserve of $250,000

Net earnings of Canada Bread Co. were well maintained in the year ended June 30, 1932 and, after provision for bond interest, amounted to $451,763 as compared with $467,956 in the previous year. Interest on investments increased to $22,877 from $21,193 and after provision for reserves totalling $278,408 the company had net profits of $196,232 available for first preferred dividends or at the rate of $15.70 for each first preferred share compared with $16.41 the previous year. After full payment of first preferred dividends there remains $4.35 per share of class B preference stock as against $4.71 in 1931. As in 1931 and 1930 no earnings were available for common dividends.

In view of uncertain business conditions and also because of losses from operation of a subsidiary company in the past three years, $250,000 has been appropriated for special reserve account and after provision for this reserve and payment of first and class B preference dividends surplus of the company was reduced by $178,768 during the yast year, leaving a surplus of $1,642,981 carried forward into the current year. The income and surplus account for the past two years is as follows:

INCOME AND SURPLUS ACCOUNT
Years Ended June 30

	1932 $	1931 $
Net earnings*	451,763	467,956
Add: Invest. int.	22,877	21,193
	474,640	489,149
Less: Deprec. reserve	213,408	219,974
Income tax	30,000	20,000
Bad debts reserve	35,000	44,000
Net profit	196,232	205,175
Less appropriations:		
1st pref. divds.	87,500	87,500
"B" pref. divds.	37,500	175,000
Common divds.	......	125,000
Trans. to reserve‡	250,000	......
Surplus for year†	178,768	182,325
Add: Prev. surplus	1,821,749	2,004,075
Balance forward	1,642,981	1,821,750

†Deficit.
*Less bond interest.
‡For depreciation in value of investments and advances to subsidiary company.

Working capital position has been substantially improved with increase in current assets and decrease in current liabilities so that the ratio of current assets to current liabilities is up to 2.11 to 1 from 1.45 to 1. Cash has been increased to $177,289 from $66,084, accounts receivable, less reserve of $50,000 for doubtful accounts stands at $247,626, a decrease of $10,000. Marketable securities are carried at cost of $110,407 and had a market value of $70,409. Inventories are down to $94,982 from $115,134. In current liabilities accounts payable have been reduced to $27,559 from $248,728, bond interest accrued of $24,682 is the same as in 1931, wages accrued show some increase to $15,148, while figures outstanding amount to $9,163 and preference dividends payable July 2, is $21,875.

Working capital position at the end of the past two fiscal years is as follows:

Working Capital

	1932 $	1931 $
Current assets	630,303	549,625
Current liabilities	298,426	378,892
Working capital	331,877	170,733
Ratio	2.11—1	1.45—1

Net current assets include prepaid insurance and taxes of $24,331; mortgages receivable of $25,000 and investments in and advances to subsidiary company amounting to $375,445, which have a book value of $206,677. Building and equipment, after a reserve for depreciation of $1,959,992, are carried at $3,117,626 and land is valued at $430,768. Goodwill less amount written off is carried at $2,356,634.

The company has mortgages payable of $6,400 of which $2,800 is due November 1, 1932, and there remains outstanding $987,300 of 6 per cent 30 year first mortgage sinking fund bonds due in 1941. Reserve for depreciation in value of investments and advances to subsidiary company is included among the liabilities for the first time at $250,000. There has been no change in the outstanding capital stock which consists of 12,500 shares of 7 per cent non-cumulative preference, 25,000 shares of 7 per cent non-cumulative class B preference stock, both classes having a par value of $100 and 200,000 of no par value common stock, the latter being given the value of $25,000. Surplus arising from operations is shown at $1,642,981 and the company has a contingent liability to bankers on account of guarantee of advances to subsidiary company of $280,000.

During the past fiscal year the company supplied "relief" bread in various communities at a price approximating cost and it is stated that this type of business has been an important factor during the past year, and has lowered the revenue per loaf of bread with necessarily a reaction on earnings. In April, 1932, a sales tax of 6 per cent was placed on cake and was in effect during the final quarter of the fiscal year, and expense involved was absorbed by the company.

Guelph Carpet Position Reported as Sound

From Our Own Correspondent

MONTREAL. — Earnings of Guelph Carpet and Worsted Spinning Mills during the current year to date are reported as satisfactory. The company has been securing its share of what business there has been offering and its position at the end of the fiscal year ended September 30 is expected to compare favorably with that shown in the last financial statement.

That profits have shown some decline is indicated in the action of directors who deferred dividends on the common stock early this year. A disbursement at the rate of $1 annually had been made on the 35,000 shares of no par common since 1929, but in January ,1932, no dividend action was taken to conserve the company's cash position. Preferred dividends are maintained.

Prospects are influenced by the trend of textile tariff schedules which as yet have not been disclosed. These tariffs will be presented at the next session of parliament and officials of the company are hopeful that some benefits may accrue to the carpet industry.

Earnings of Guelph Carpet totalled $166,103 in the year ended September 30, 1931. After all charges and preferred dividends there remained a sum equal to $1.05 a share on the common stock. Balance sheet showed a strong liquid position.

CHEMICAL FIRMS LACKING DETAILS ON OTTAWA PACT

Canadian Industries and Shawinigan Are Interested

From Our Own Correspondent

MONTREAL.—Lack of detailed information has left Canadian chemical companies somewhat in the dark as to how the new agreement between Canada and the United Kingdom will affect their future operations. At the concluding session of the Imperial Conference information made public gave details of changes on certain primary products and further that a list of 220 tariff items would be affected by the agreement.

Both Canadian Industries Ltd. and Shawinigan Chemicals, the latter a subsidiary of Shawinigan Water and Power Co., are interesnted in any changes which may be carried out affecting the chemical industry. Chemical products will be touched upon, but at the moment expectations are that the tariff changes will bear on raw materials rather than on the finished products.

Allied With Imperial

Canadian Industries Ltd. is closely allied with Imperial Chemicals, the largest producer of chemicals in the United Kingdom. The latter has a heavy financial stake in the former and the two concerns closely cooperate on matters of mutual interest.

Shawinigan Chemicals also has its affiliations in England. At the same time it is interested in the United States markets, having a financial stake (through the parent company) in the Niacet Chemicals.

From all that can be gathered at this time neither of these companies expect any harmful effects from the agreements signed at Ottawa. Until details of the 220 items in the tariff list are published, however, the advantages or disadvantages resulting from the conference are largely guesswork.

Production of Acid Group Reaches New Low in 1931

The acids, alkalies and salts industry in Canada during 1931 had production valued at $10,952,497, a decrease of 46 per cent from 1930 and the lowest total ever recorded for the industry. The 10 firms engaged in the industry operated 14 factories compared with 7 factories working in 1930.

Capital employed in 1931 amounted to $44,995,000, a decrease of over $7,000,000 from the previous year. Employees numbered 1,694 and received $2,426,880 in salaries and wages. Chief products are sulphuric acid and calcium compounds although no two factories produce the same chemicals.

Linseed Oil Production Drops 40 Per Cent in Value

With cost of materials used dropping more than 50 per cent in value, the gross value of products of the linseed oil industry in Canada in 1931 fell almost as much, or from $7,40,433 in 1930 to $3,951,761. Volume was less in both raw and boiled linseed oil with special linseed oil production higher.

Only eight plants are engaged in the industry, the same number as in the past ten years, and an average of about 250 persons are employed. The 226 employees in 1931 received $299,277 in salaries and wages.

Bond Sales

EAST WHITBY, ONT.

Wood Gundy & Co. has been awarded $85,000 at 6 per cent ten instalment debentures of the township of East Whitby at 99.77, a cost basis to the township of approximately 6.06 per cent. Three bids were reported for the issue as follows:

Wood Gundy & Co.	99.77
A. E. Ames & Co.	99.41
H. R. Bain & Co.	97.75

The following bids were on an option basis:

Harris MacKeen & Co.	99.26
Dyment Anderson & Co.	99.08
Cochran Murray & Co.	98.89
Bell Gouinlock & Co.	98.50
C. H. Burgess & Co.	98.00

Bond Tenders

5 o'clock, Sept. 6, Buckingham, Que.—$25,000, 6 per cent serial bonds dated July 1, 1932, from 1 to 40 years, for installation of water pipe to supply the Village of Masson with water. H. J. Gorman, sec.-treas.

Noon, Sept. 6, Village of Pointe-Gatineau, Que.—$20,000, 6 per cent bonds dated Sept. 1, 1932, redeemable serially from July 1, 1933 to July 1, 1952. Payable at Banque Can. Nationale at Montreal or Pointe-Gatineau. Yves Fortin, sec.-treas.

8 p.m., Sept. 12, Municipality of Mont-Royal School Commissioners—$45,000, 6 per cent bonds dated June 1, 1932, redeemable serially from June 1, 1933 to June 1, 1939. Payable at Royal Bank at Montreal or Mont-Royal. M. L. Roy, sec.-treas.

Noon, Aug. 26, Town of Cornwall, Ont.—$70,124.79, 5½ per cent 20-instalment debentures. J. G. Harkness, treas.

PHOTO ENGRAVERS DIVIDEND PASSED

Earnings Maintained at 1931 Level But Needed to Retire Notes

Passing of the dividend on the common stock of Photo Engravers and Electrotypers Ltd. has been decided by directors of the company in order that notes due on new equipment can be retired and the liquid position of the company improved. The notes outstanding on equipment purchased during 1931 amounted to $153,014 on Feb. 29, 1932, and since that date the amount outstanding has been reduced to under $100,000. The balance of the notes mature monthly until March 31, 1933, and these payments will absorb the greater part of the company's earnings until that date.

As soon as the notes have been paid off it is stated that the directors look forward to resumption of the usual dividend disbursement which has been at the rate of $2 annually since March 1, 1928. Return to the former dividend basis will depend, of course, on whether there is any further decline in business.

Earnings in the current year are stated to have been maintained at approximately the level of the previous fiscal year when $2.04 was earned per share. When the company entered into a 10-year contract with the Robert Simpson Co., early in 1931, over $500,000 was invested in new equipment and fixed assets. This investment was financed by bank loans and short term notes since the condition of the market made it impossible to float a bond issue at that time. As a result the liquid position of the company was impaired and dropping of the dividend has been necessary in order that the notes can be paid off.

Corporate Would Retain Non-Dividend Payers

Compulsory elimination of non-dividend paying stocks from the portfolio of Corporate Trust Shares of both the accumulative and AA series is being made optional with holders of these trust shares. Seven common stocks in the portfolio of the original Corporate Trust Shares are subject to elimination early in 1933 under the present provisions of the trust deed which provides for compulsory elimination of a stock one year and 30 days after passing of a dividend date without payment of a dividend.

The option offered to Corporate Trust shareholders permits the individual shareholder to decide as to whether any of the stocks underlying his trust shares will be eliminated or retained. Provision will be made in the modified certificates for further time in which to dispose of securities subject to sale.

Two Montreal Bankers Buy Megantic Bonds

From Our Own Correspondent

MONTREAL—Banque Provinciale du Canada and Credit Anglo-Francais have purchased two issues of the Town of Megantic, P.Q., of $30,000 and $26,000, respectively, 6 per cent bonds, maturing 1933 and 1940 at the price of 97.

Summary of Week's Annual Reports

A brief analysis of company earnings per annual statements received since last week's issue. Company name in bold type indicates stocks listed in Canada or New York. Net income shown is before preferred dividend, if any. Market prices are at close on Tuesday this week or last sale.

Company	Year End	Net Income 1931 $	Net Income 1930 $	Common earnings 1931 $	Common earnings 1930 $	Curr. divid. $	Balance car. fwd. 1931 $	Balance car. fwd. 1930 $	Mkt.	Mkt. times earn.	% Yield
Willson Stationers & Envelopes	Apr. 30	*45,158	2,211	...	...	...	†31,386	20,772	...	...	...
Canada Bread	June 30	196,232	205,175	...	...	...	1,642,981	1,821,750	2	...	...
National Grocers	June 30	268,215	234,570	...	...	...	809,327	634,176	...	...	...

*Loss. †Deficit.

Weekly Record of Financing in Canada

SALES BY MUNICIPALITIES PROVINCIAL AND DOMINION GOVERNMENTS

Municipal—	Date Sold	—Sold To—	Rate	Maturity	Amount	Price	Basis
Pembroke, Ont.	Aug.	A. E. Ames & Co.	6%	1938-42	$35,948	....	....
Gloucester County, N.B.	Aug.	Eastern Securities Co.	6½%	10-yr.	45,000	96.28	6%
Megantic, Que.	Aug.	Credit Anglo-Français	6%	1932-43	56,000	97.00	....
East Whitby Twp.	Aug. 16	Wood, Gundy & Co.	6%	10-yr. ser.	85,000	99.77	6.05%
Provincial—							
Saskatchewan	Aug. 18	Dominion Securities Corp. and syndicate	6%	1952	2,000,000	98.5	*6.13%

*Retail offering price.

INVESTMENT SECURITIES
The National City Company Limited
360 St. James St. MONTREAL
320 Bay Street TORONTO
Advisory Board
Sir Charles B. Gordon, G.B.E.
Sir John Aird
W. A. Black
A. J. Brown, K.C.
Wilmot L. Matthews
F. E. Meredith, K.C.
Lt.-Col. Herbert Molson, C.M.G., M.C.
W. N. Tilley, K.C.
The Hon. J. M. Wilson
600

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MONTREAL TORONTO WINNIPEG VANCOUVER

"I Telephone them —every night"
"I've been travelling a lot these last few months. My wife and children hardly know me any more."
"I've been the same way. But I'll tell you what I do. Every night when I'm away from home I telephone and have a talk with them. It's the next best thing to being there."
"Isn't that pretty expensive?"
"You'd be surprised how cheap it is, Jim. A station-to-station call at night costs about 30 cents for 100 miles or so. Why, a call from Toronto to Montreal is only a dollar."
"That's wonderful. Believe me, I'm going to telephone home tonight."
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Evening rates on "Anyone" (station-to-station) calls begin at 7 p.m. and still lower night rates at 8.30. Just give "Long Distance" the number you want — it speeds up the service.

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TORONTO, AUGUST 27, 1932

DOMINIONS' OBDURACY FINALLY WON OUT

THE stubborn insistence of Canada's prime minister upon a British declaration of policy on Russia and of Australia's prime minister on the question of food taxes eventually won out at Ottawa, but not until the United Kingdom delegation had sidestepped the issues for three weeks. In the end, the British capitulated to the Dominions' views and in doing so they saved the conference but they also committed the British government to a line of policy that the British public may hesitate to support.

The water looked cold and the British delegates are to be forgiven if they stood, shivering on the brink for several anxious days, before diving in. But it is amazing that the British delegation had apparently not made up their minds on Russia and food before coming to Ottawa. The problem of food taxes has stared them in the face ever since the end of the war; Russia only for a shorter period. The die-hard Conservatives and the die-hard Liberals of Britain have never doubted in their minds what Britain should do but between these two schools of thought, the new protectionists and the old free traders, stood a vast group of British business men and statesmen who were frankly puzzled as to what Britain's course should be, who still are. Among them was Mr. Baldwin, a practical protectionist but also a practical politician, worrying about the possible results of food taxes.

There always remains the possibility that the National government will go down to defeat when it starts to implement the Ottawa agreement. Free trade dies hard in Britain and the policy of Empire First has still a hard road to travel. The storm that hung over Ottawa during the last few critical days of the conference and that broke out on that fatal Wednesday night gave way to sunshine. Mr. Baldwin's likening of the conference to the weather conditions that prevailed during the meetings was one of the most significant statements of the whole affair.

In the minds of most Canadians there is little doubt that from Canada's standpoint an excellent bargain has been struck but that it is a bargain that is merely a beginning of larger trade and economic agreements in the future.

The British too, will probably come in time to regard Ottawa as the triumphant development in their own generation-long struggle against the forces of industrial decline.

THE FOURTH BUSY B.

IT WAS no slight upon Alderdice, Chatterjee, Havenga, O'Kelly and Coates to say that the Imperial Economic Conference at Ottawa was dominated by the three busy B's — Baldwin, Bennett and Bruce. Upon the shoulders of these three Empire statesmen rested the main burden of the job of finding the workable formula for Empire trade development.

To their names should be added that of another industrious B.—Beatty, of the C. P. R. The chairman and president of the Empire's greatest transportation agency has stated that his company did not make any official representations to the Conference. But Ottawa knows how hard and how long Mr. Beatty worked during the critical days of the conference to bring obdurate negotiators together; how he pleaded with Bennett and importuned Baldwin to modify their respective demands one upon the other; how he helped win success for an Empire gathering upon which the eyes of the whole world were finely focussed.

The Ottawa show did not mean life or death to the C. P. R. but it was important. The C. P. R. has flung its steel crosswise to the natural grain of trade in Canada and it has helped to create an East to West nation on a continent where trade, if uncontrolled, would flow North and South. It has launched its vessels upon the two great oceans to make Canada the natural route between Britain and Europe on the one hand and the Far East on the other. Success at Ottawa meant a quickening of the trade flow in the natural C. P. R. channel; failure meant inevitably a cross-wise trend. Charged with the protection of over a billion dollars of assets, Mr. Beatty could not sit by inactive when the conference needed his help.

The fact that C. P. R. common stock has doubled in market value in the last few weeks is not unrelated to what has been going on in the capital of Canada.

RISING ASSESSMENTS AND FALLING PRICES

THE city of Toronto is now preparing its assessment rolls for 1933 taxation. Figures for six wards show an increase of 2,500 in population and $5,500,000 in assessment. Until final figures are available it will not be known how much of the increase has been achieved by marking up land assessments but in view of the large decline in income and business assessment and the inactivity in new construction it seems obvious that land assessments must have been written up in many cases.

Canadian cities — not only Toronto but most of the larger urban centres — may find themselves faced with a serious problem of falling land values if the decline in commodity prices is not corrected by some sharply ascending movement in the indices. A new and possibly permanent scale of lower levels has been established in many directions and if the precedent of previous periods of major price decline is repeated this will be reflected in realty values, not only in building values because of lower replacement costs, but in land values as well. In many centres this will be relieved by a natural rise in sale values based upon growing population while in others it will be intensified by the stagnation of a static population figure.

It is no time for cities to be increasing assessments. They should be preparing their financial structures to withstand the wearing down process of possible downward assessments.

CONTACT WITH PRESS WAS INADEQUATE

AT THE Imperial Economic Conference, heads of delegations from other countries conferred almost daily with their own newspapermen to keep them informed of the background of the conference situation. The Canadian delegation had no liaison officer appointed to maintain contact with the Canadian press. Hon. Dr. R. J. Manion acted as press liaison officer for the whole conference, but not for the Canadians alone.

It may have been difficult for Mr. Bennett to arrange daily conversations with newspapermen as Mr. Bruce did with Australian newspapermen. There were only two or three Australian press representatives and scores of Canadians. One can be confidential and intimate with a handful of press correspondents but not with a large roomful. But short of being confidential and intimate, the Canadian ministers could have served their own and the newspapers' purposes well by having a Canadian liaison officer to keep the press of Canada and of the world informed on the Canadian viewpoint, which was often, throughout the conference, sadly misinterpreted.

GREATER THAN 1926

THE formula makers regarded the 1926 Imperial Economic Conference as one of the greatest of the Empire congresses. Here was drafted the simple statement of the political equality of the Empire countries and their common allegiance to a single political heart. But the 1926 conference did nothing to create jobs or make the Empire's people prosperous. And the formula remained little more than a formula as was demonstrated when the United Kingdom delegation came to Ottawa with no offers or propositions to make and with nothing more than a willingness to consider what the Dominions might offer. It was still very much a gathering of a great country and its constituent parts of her Colonial Empire.

But the weeks at Ottawa did more to define practically the equality of the Empire countries than the weeks at London did in 1926. The trade agreements were the first major and practical evidence of the equality of the Empire countries. When Mr. Baldwin affixed his signature to the agreements with the Dominions he concluded the 90 years of slow death of the out-of-date Colonial Empire so far as the Dominions were concerned but he helped to bring recognition to a new giant, the economic British Empire which has no precedent in history.

Economically there is no doubt that the Ottawa Conference was the greatest of them all. But in the light of history it may prove to have been the most significant politically as well.

NO REMEDIES

THE international debating society known as the League of Nations, which is costing Canadian taxpayers thousands of dollars yearly and from which they have yet to see that they are likely to get any practical results, has just issued another typical report, to the cost of which we in Canada, overburdened with taxes, are contributors.

This time it is entitled "World Economic Survey—by the Financial and Economic Intelligence Service of the League of Nations," being an analysis of the economic and financial dislocation started by the World War, with special reference to events since 1930.

As usual with League reports, they give a mass of information, all of which that is worth while in it is already well known. It gives too a lot of matter that is not known and is, on the face of it, impractical and worthless. But still more typical is that it gives no actual leadership in remedying the abuses which it says exist, excepting the usual advice.

BUSINESS SHOULD DO ITS OWN POLICING

THE British Labor Party urges the establishment of a National Investment Board to prevent waste and misdirection in the use of the country's long-term capital. The board would have the power to control all new issues of securities; new issues could not be made without its permission.

It is a splendid scheme on paper but there is every reason to believe that it would prove unworkable in practice. Issues of securities are made for many purposes; they vary in merit from the sheer gamble to the conservative investment secured by the promise to pay of an honest nation. Thus an Investment Board could not hope to classify all securities as good or bad; one investor's meat is another's poison. Nor could it very well control the flow of capital so that it would best serve the purposes of the British people. Capital is too liquid to be controlled nationally in such a way and moreover there are groups in Britain who gain most when capital is invested at home; other groups who benefit from its investment in the Dominions; and still others that benefit when capital is invested in foreign countries, even in Russia.

While the suggestion may be thoroughly practical it has some significance. The British Labor Party would not be offering such a plan did they not feel that British financiers have wasted and misused a large amount of Britain's capital accumulation. Always it will be found that greed, graft and inefficiency in business and finance will lead to demands for governmental interference. And governmental interference never stops at correcting evils; it weighs upon the honest and the dishonest; the cautious and the careless; the clever and the inept alike. In the end it brings abuses greater than the ones it sets out to correct.

Those promoters who unload watered stock and worthless bonds upon investors; who effect huge reorganizations, recapitalizations and mergers merely for the sake of large underwriting and stock market profits; who engineer bull markets in order to make money in the bear markets that must follow; these gentlemen are the ones who are to blame for socialistic and paternalistic schemes. Business and finance must police their own activities to avoid a larger measure of governmental policing. In this respect, the concentrated power of Canadian banks is a powerful force that can be used to reduce to a minimum the evils that undoubtedly do exist in Canadian finance and that were more apparent in the pre-1929 boom days, when few people thought about them, than in the recent days of depression when all finance has been under public fire.

The worst enemy of the investor and of the public is the inflationary boom in land, stocks, or commodities because it provides a cover for predatory activities.

A CANAL EXAMPLE

CANADA has an investment in canals of $234,000,000. This does not include investment in harbors, such as the one at the Port Colborne entrance to the Welland Ship Canal nor does it include improvements to the St. Lawrence main channel. Yet strangely enough it includes the Port Colborne grain elevator.

The canals of Canada last year (to March 31, 1931) produced a revenue of $1,200,000, of which $460,000 was the income of the Port Colborne elevator and the balance chiefly land rents, wharfage dues, etc. Not one cent was received in tolls. The canals cost $3,200,000 to operate and maintain and about $9,500,000 for interest. What should have been allowed for depreciation is a matter for argument. In any event, a policy of no tolls on our canals cost us about $11,500,000 last year and now that the Welland Ship Canal is operating the figure will rise. The proposed St. Lawrence Canal would make the item very substantial in the Dominion budget.

The Panama Canal represents an investment of $273,000,000, after eliminating defence expenditures, etc. Last year, after depreciation and interest, the canal operations showed a profit to the United States of over $7,000,000. The expenditures, unlike in Canada, included all administrative charges and the canal's share of the cost of government and public services in the Canal Zone.

Our policy of no canal tolls is unfair to the taxpayer, unfair to the railways, unfair to highway shippers. The whole system of canal bookkeeping should be overhauled and a policy of charging tolls adopted.

EDITORIAL NOTES

When prosperity returns in the United States, credit will probably be given to the R. F. C. But while the Reconstruction Finance Corporation will take the bow for the applause the motivating force in recovery will be the one that has always ended depressions in the past—the Rebound From Crisis.

* * *

Robert P. Lamont, who has retired as President Hoover's Secretary of Commerce, knows Canada well. He has an interest in Montreal Locomotive Company. His successor, Roy D. Chapin, chairman of Hudson-Essex, also knows this country and has been a frequent visitor here. His company has a large stake in the Canadian market. But for that matter it would have been difficult for Mr. Hoover to have selected for the post any business leader who would not have been familiar with Canada.

POST-scripts

J. B. POWELL, Chicago Tribune Shanghai correspondent, writes concerning the experience of himself and other correspondents with Japanese spies while covering the Manchurian "undeclared war" which started last September and is still in progress, though little of the news concerning it is now published. Wherever the correspondents went, he declares, they were followed and sometimes their baggage and papers were searched. It became tiresome to the correspondents and one, just to express indignation, sent the following telegram to a Japanese intelligence officer attached to Gen. Honjo's staff:

"Major Watari, care Yamato Hotel, Mukden.

"Arriving three o'clock this afternoon. Please notify my spy."

ST. JAMES STREET, Montreal, has just had its greatest laugh since a man carrying a hen under his arm entered the Royal Bank Building four years ago. In the ensuing period there have been one or two minor excitements, such as the famous eagle episode which Montrealers will remember, but an occurrence last week brought big crowds from the boardrooms. The stir was caused by a man and woman, both deeply tanned and carrying packs on their backs. The man wore khaki shorts and the woman was suitably attired in sporting kit. But the amazing thing was that both were mounted on bicycles and peddled slowly down the street with an air of unconcern.

Some of the superstitious took this sight as a good omen and bought heavily; the entrance of the hen into the Royal Bank presaged the great bull movement of 1928.

THE baby bull market at the beginning of August disrupted many a bond man's holiday. Lakes were dotted with gloomy canoeists paddling over to the nearest post-office for wires; summer cottages took on the aspect of boardrooms as neighbors clustered round to hear the latest news. We met one investment banker pulling away in a boat on a scorching morning. Resting on his oars he mopped his brow and groaned "If I stay up here I'll probably miss the only chance this year to make some money. And sure enough if I go to town the market will dry up. Either way I get caught. In the meantime I'm getting blisters trying to make up my mind." He resumed his journey to the nearest telephone, accompanied by the lugubrious squeak of badly-wielded oars.

IN HIS address to the Canadian Club of Ottawa, Rt. Hon. Stanley Baldwin urged Canadians to train particularly bright young men for political life. This has always been a British tradition. Over there the sons of the "best families" have usually made their choice between the Church, the army and politics, or have had the choice made for them so early in life that they never had an opportunity to make up their own minds. In recent years the professions of finance and business have been accepted as suitable outlets even for aristocrats.

Mr. Baldwin stated that he had often taken hold of bright young men and pushed them ahead in government work and politically. In fact, he brought a number of such to Ottawa with him. His parliamentary secretary, Geoffrey Lloyd, M.P., is still in his twenties. He is what the American tabloids would call a "scion" of the banking house of Lloyd's. One of Mr. Baldwin's private secretaries was young Viscount Hinchingbroke, still a little more than a boy, but heir to one of Britain's most celebrated titles. "Hinch," as he was called, ran most of Mr. Baldwin's messages.

Other cabinet ministers had bright young men attached to their staffs.

Ottawa was polite to them but reserved judgment on the contribution they made to the Conference. But they were not expected to make much of a contribution; they were merely going to school, under the Empire's best political teachers, to the business of governing the people.

Britain's Tariff Policy Thought Benefit Already

Combines With Abandonment of the Gold Standard to Reduce Debit Trade Balance

There can be no doubt that, whatever may be the long term consequences of the involuntary abandonment of the gold standard in Great Britain and the voluntary establishment of a protective tariff system, in the short run they have made a substantial contribution toward the achievement of closer equilibrium in Britain's current balance of payments, according to the August Monthly Review of the Midland Bank in an article analyzing Britain's overseas trade returns for the first six months of 1932.

It was expected that Britain's departure from gold would check imports and encourage exports through the attainment of closer equilibrium between the actual exchange value of the pound and its "inherent" external value as determined by relative costs of production at home and abroad, the Review states, and, the protective tariff was aimed to restrict the imports of foreign merchandise, especially manufactured goods, without placing any impediment in the way of the free import of raw materials and raw foods.

While it is true that any conclusions drawn from trade figures at the present time can only be of the most indeterminate sort, for insufficient time has elapsed to permit a final judgment on the benefits or harm resulting to our overseas trade position, nevertheless the conclusions drawn seem legitimate enough.

Trade By Volume

In the following table, the course of Britain's trade, measured by volume, is shown, regarding 1924 as the datum year. The Review states that the periods covered are chosen for their relevance to the two developments mentioned, remembering that the departure from the gold standard took place on September 21, 1931, and that temporary import duties came into force in November although the new permanent tariff has been operative only since March 1 this year.

Volume of United Kingdom Overseas Trade
(1924 = 100)

	Net Imports*: Food	Net Imports*: Raw materials†	Net Imports*: Manufactured goods§	Net Imports*: All	Exports: Manufactured goods§	Exports: All	Re-exports
1929: Year	111.6	112.8	130.3	116.3	106.9	105.1	80.2
1930: Year	113.0	100.4	130.5	113.6	85.7	86.1	76.6
3rd qtr.	108.1	90.7	126.2	107.6	81.9	82.6	67.2
4th qtr.	132.2	101.5	131.8	123.3	78.0	81.1	74.8
1931: Year	122.3	94.8	132.7	116.9	63.5	65.6	73.2
1st qtr.	110.4	95.8	119.0	108.1	65.3	66.9	72.9
2nd qtr.	112.9	89.2	126.7	109.8	61.7	63.7	82.4
3rd qtr.	122.2	84.0	134.3	114.6	63.5	64.0	61.9
4th qtr.	143.6	108.1	150.9	135.2	63.8	67.9	75.7
1932: 1st qtr.	116.2	109.7	92.0	107.3	66.1	66.2	77.2
2nd qtr.	110.8	92.3	77.7	96.7	68.4	67.7	69.7

*i.e. Imports less re-exports. †Raw materials and articles mainly unmanufactured. §Articles wholly or mainly manufactured.

In a study of these figures it is impossible to accurately distinguish in all cases between the results of the tariff and of the departure from gold. Generally speaking, however, it may be supposed that the departure from gold, unlike the tariff, would affect all imports and all exports more or less indiscriminately, curtailing the former and increasing the latter. From the tariff, on the other hand, an unevenly distributed decrease in imports would be expected. The conclusions drawn in the Review are as follows:

"Examining the import figures, it will be seen, first, that the total was larger in the last quarter of 1931 than of 1930, notwithstanding the deterrant of a cheaper pound and, secondly, that imports of manufactured goods were especially swollen. This movement is probably to be associated with forestalling of anticipated import duties. With the turn of the year, however, a marked change becomes noticeable. Imports of food in the first two quarters of this year show no reduction from a year earlier, raw materials show some expansion, and manufactured goods a very heavy shrinkage, intensified in the second quarter, after the imposition of the new permanent tariff. Clearly then, the tariff and the departure from gold—probably the first more than the second—have brought about an almost immediate restriction of imports.

"Turning to exports, the figures, both for manufactured goods and for all commodities, had fallen to an alarmingly low level in 1931, but showed some small recovery in the fourth quarter. This year the recovery has been maintained, raising the figures to a higher level than a year ago. From the relatively small increase it might be inferred that the departure from the gold standard had had but little favorable effect upon our competitive power in foreign markets. Calling to mind, however, the alarmingly stringent restrictions upon world trade, the mere maintenance of our exports at the level of a year ago is little short of a marvel, and provides clear evidence of the benefits of the new freedom accorded to the pound to find an exchange value corresponding to its relative purchasing power."

Reduce Import Surplus

As the tariff was imposed largely with the object of reducing a growing import surplus, the Review turns its attention to the country's imports and exports expressed in aggregate values. The table is followed by the conclusion drawn in the Review.

Value of United Kingdom Overseas Trade
(£ millions)

	First six months: 1929	1931	1932	Decrease per cent: 1929-31	1931-32
Imports:					
Food, drink and tobacco	257.8	197.6	184.5	23.4	6.6
Raw materials	179.3	90.4	89.5	49.6	1.0
Manufactured goods	162.8	124.4	81.7	23.6	34.3
All goods	604.7	417.8	360.0	30.9	13.9
Exports:					
Food, drink and tobacco	25.6	17.7	16.0	30.6	9.6
Raw materials	39.4	23.7	21.8	39.8	8.0
Manufactured goods	284.1	150.4	143.0	47.1	4.9
All goods	358.7	199.2	187.0	44.5	6.1
Re-exports	60.6	35.7	29.3	41.1	17.9

"In a period of declining prices it would be expected that imports and exports of manufactured goods, measured by value, would decline less rapidly than those of raw materials. This is what happened in imports between 1929 and 1931, but thanks to our especially vulnerable position, it did not happen in exports, for sales of manufactured goods actually fell more drastically than those of other commodities. In the later comparison, however, imports of manufactured goods were heavily reduced, while exports of the same group fell only slightly. In the aggregate, exports fell proportionately much more than imports between 1929 and 1931, while the reverse was true of the later comparison.

"Summarizing our payments and receipts on account of commodity movements, the excess of imports in the first half of 1929 amounted to £185 millions; in 1931 it was about the same although the total turnover was far smaller; in 1932 it had fallen to £144 milions, a reduction of nearly £40 millions on the year."

Chronology of St. Lawrence Deep Waterway

1902—June 13—U. S. President invites Great Britain to join in formation of international commission to report upon navigation and improvement of lakes on boundary and St. Lawrence.

1903—April 27—Canadian Government by Order-in-Council recommended the Home Government to accept invitation.

1903 — October 16 — Appointment of U. S. members of commission: Col. O. H. Ernst, Washington; George Clinton, Buffalo, and Prof. G. W. Wisner, Detroit.

1905—January 7—Canadian members of International commission appointed by Order-in-Council: James P. Maybee, Toronto; W. F. King, Ottawa; Louis Coste, Ottawa. On resignation of Mr. Maybee, Geo. C. Gibbons (afterwards Sir George), London, Ont., became chairman of the Canadian section. Headquarters were at Toronto and Buffalo respectively.

1905—June 14—Meeting of entire commission held at Toronto at which questions respecting waters at Sault Ste. Marie, Niagara, marine regulations, advisability of building controlling works at outlet of Lake Erie and effect upon levels of St. Lawrence were considered.

1909—July 11—Treaty signed between United Kingdom and United States regarding boundary waters and setting up the international joint commission to succeed the international waterways commission.

1913—July 10—U. S. Senate adopted resolution requesting President to enter into negotiations with Great Britain with view to securing an international agreement "for concurrent or co-operative improvement of navigation in boundary waters of the two countries for the advancement of the commerce of the two countries."

1914—February 24—U. S. note proposed that the international joint commission should examine and report upon advantageous use of waters from head of Great Lakes to Atlantic Ocean.

1920 — January 21 — Canada and United States referred to international joint commission for investigation and report the question as to what further improvement of the St. Lawrence between Montreal and Lake Ontario was necessary to make same navigable for vessels of lake or ocean-going type, basis of apportionment of capital cost between each country as well as cost of operation and maintenance.

1921—June 24—Col. W. P. Wooten, for United States, and late W. A. Bowden, for Canada, reported to International Commission.

1921—December 19—International Joint Commission recommends that the two Governments enter into an arrangement by way of treaty for a scheme of improvement of the St. Lawrence River between Montreal and Lake Ontario, with the new Welland Ship Canal embodied in the scheme. Suggests its report be referred back to the international engineering board, enlarged by other leading members of the engineering profession, to consider the whole question.

1922—May 17—Note from U. S. Secretary of State to effect that U. S. Government would be glad to take up with Canada negotiation of a treaty on basis of report of commission or such modifications as might be agreed upon.

1924—January 30—Canada replied to U. S. note of May 17. Attention called to fact that the international joint commission recommended that before any work was carried out, the joint engineering board should be enlarged. Canada was prepared to appoint additional engineers to enlarge board.

1924—February 27—U. S. Government advised Canada it would constitute similar national committee.

1924—March 14—St. Lawrence Commission appointed by the President of United States comprised: Herbert Hoover, chairman; W. C. Breed, New York; J. E. Davidson, Bay City, Mich.; J. P. Goodrich, former Governor of Indiana; J. R. Howard, Chicago; J. D. Newman, American Federation of Labor; S. B. Davis, Washington; C. P. Craig, Duluth.

1924—April 2—United States designated as member of the U. S. section of enlarged joint board of engineers: Major-General Edgar Jadwin, Col. William Kelly and Lieut. George Pillsbury.

1924—May 7—Canadian section of proposed enlarged joint engineering board was appointed by order-in-council as follows: D. W. McLachlan, Ottawa; O. O. Lafevre, Montreal, and Brig.-Gen. C. H. Mitchell, Toronto.

1924—May 7—Canada appointed national advisory committee for Canada as follows: Hon. George P. Graham, Ottawa; Thos. Ahearn, Ottawa; Hon. W. E. Foster, Saint John, N.B.; Beaudry Leman, Montreal; E. D. Martin, Winnipeg; W. L. McDougald, Montreal; Sir Clifford Sifton, Toronto; Major-Gen. J. W. Stewart, Vancouver; Hon. Adelard Turgeon, Quebec.

1925—Feb. 4—United States advised that terms of reference agreed upon by engineers and approved and adopted by Canadian Government.

1925—March 17—United States informed Canadian Government that U. S. members of joint board of engineers were being instructed in accordance to terms of reference agreed upon.

1926—November 16—Main report of the joint board of engineers made to Government of Canada and the United States by respective sections of the board.

1926—December 27—Hon. Herbert Hoover, as chairman of U. S. St. Lawrence commission, transmitted to U. S. President conclusions on engineering report favoring a treaty for the St Lawrence development.

1927—January 3—Hoover report presented to Congress.

1927—April 13—U. S. Government intimates that it has adopted recommendations of the St. Lawrence commission, and is prepared to enter into negotiations for treaty. Ask for views of Canadian Government.

1927—July 12—Canadian Government replies it will not be in a position to determine its policy on the question until the report of the national advisory committee has been received.

1927—July 13—Complete report of joint engineering board with appendices, plates and plans, rendered to both Governments. Canadian engineers again support two-stage project as against one stage development which had been put forward by U. S. engineers.

1928—Jan. 5—Complete report considered by national Advisory committee. Hon. Geo. P. Graham was succeeded by Hon. W. E. Foster, Saint John, as chairman.

1928—Jan. 11—Above report made to Canadian Government.

1928—Jan. 31—Canadian Government replies to U. S. note of April 13, 1927.

1928—April 14—Reference made to Supreme Court of Canada by order-in-council of questions or respective legislative control by Dominion and provinces over water power.

1929—February 5—Supreme Court of Canada rendered judgment on reference by declining to answer "yes" or "no" to certain questions in the reference.

1929—Question of respective control of water powers discussed at Dominion provincial conference.

1931—October 4—Simultaneous announcement by Prime Minister R. B. Bennett and President Herbert Hoover of initiation of negotiations between Canada and the United States toward framing treaty.

1932—July 13—Announcement by Ottawa and Washington that Canada and United States have concluded outline of treaty; final terms had been settled, and treaty being prepared for early signature.

1932—July 18—Announcement by Prime Minister Bennett and President Hoover of signing of treaty at Washington.

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Toronto Leases Harbor Land

More harbor land was leased to industrial concerns in 1931 and more ships sailed in and out of Toronto harbor carrying greater tonnage than in either 1929 or 1930 according to the annual report of the Toronto Harbor Commissioners. In the report, General J. G. Langton, general manager, states that 42 acres of harbor lands were leased to coal and oil companies, an increase of more than 20 acres over lands sold or leased during 1930.

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IN THE TWINKLING OF AN EYE!

The Week in Business

July Business Record Not Discouraging

Carloadings Show Good Upturn in August

Commodity Price Gains Are Speculative

BUSINESS concerns which, in the light of improved business sentiment, have been disappointed in the showing made by their organization during July, may find encouragement in the fact that The Financial Post index of the physical volume of business in Canada, based on the performance of 26 key factors representative of every branch of industrial and financial activity, declined during that month to the lowest point in the entire depression period.

At first thought, such a decline might be considered disappointing and discouraging to those who have read glowing press reports in recent weeks of the improved business sentiment and have watched stock and commodity prices staging the most important upswing of the past three years. To those who have been following the actual trend of business as recorded by the most reliable available statistics, such a decline was not unexpected for as has been pointed out in The Financial Post in recent weeks, there has been as yet no statistical evidence to support the price boom of the past few weeks. True business sentiment is definitely better but beyond a reflection in commodity prices this improved feeling has not been translated into a definite business upturn. Such an upturn is, of course, essential to continued strength in stock and commodity prices and the upturn in carloadings last week gives some hope that this improvement may materialize in August.

In the meantime business organizations which find their sales at a low ebb for July need not be unduly disappointed as this month almost invariably marks the low point in the business year and the fact that July, 1932, showed business at the lowest ebb for the depression indicates that for the majority of business firms in the Dominion, the month was a poor one. It is the August and September records which will tell the really vital and interesting story for business. If the current happy auguries for the return of better times are substantiated by actually improved business performance there will then be assurance that the worst of the depression is behind us.

* * *

OF THE week's records, perhaps the most encouraging is the upswing in carloadings. Both in Canada and the United States the slackness in this vital weekly barometer of business has been a source of discouragement to business men and statisticians alike and the fact that the second week in August finds a good weekly gain in both the Canadian and United States figures, augurs well (if it is sustained) for improved business this fall.

The actual weekly gain in Canadian loadings is largely attributed to a heavy grain movement from the west. This is a customary seasonal occurrence which is getting underway perhaps a week or so earlier this year than in former years and means that the wealth-giving flow of grain has started to move with its healthy reaction on transportation and other directly and indirectly affected agencies. The actual gain for the week was almost 10 per cent while after adjustment for seasonal variation and holidays, the Dominion Bureau index number rose from the near-low mark of 61 to 65.5. The fact that merchandise loadings (after adjustment for seasonal trend and holidays) also made a gain of over three points for the week is a highly encouraging indication.

* * *

COMMODITY prices after an expected reaction during the early days of August are apparently once more forging into new high ground. As far as can be ascertained, however, the new gains are largely the result of speculative buying rather than as a result of any fundamental improvement in underlying conditions surrounding the individual commodities. Wheat, once again, has failed to advance in line with gains in other commodities but heavy rains in the west which it believed will tie up threshing operations and currently reduce marketings for a few days, were responsible for slight gains at the beginning of this week. The preference on Canadian wheat gained at the Imperial conference has been regarded in London as a bullish factor while opinion on this side is mixed.

Business Conditions in Canada

GOOD SHOWING BY DURANT AUTO IN JULY SALES

Ford Threatens Chevrolet's Position as Leading Automobile

July sales of new passenger automobiles in Eastern Canada made a better showing compared with last year than any previous month of 1932 with total sales of 3,593, or 71 per cent of the July, 1931, total, according to an analysis made by The Financial Post of figures compiled by Might's Directories and published in Canadian Automotive Trade. Introduction of the new Ford in June is mainly responsible for this improved showing, sales of that automobile in July being only 20 less in number than in the same month of 1931. Chevrolet sales fell to almost 50 per cent of the July, 1931, figure, De Soto and Durant being the only makes to show increases compared with a year ago.

For the seven months of the year to the end of July, sales total 27,449 as compared with 45,885 in the first seven months of last year, a decrease of 40 per cent. Sales in the Maritime Provinces are only about 50 per cent of a year ago, while Quebec is least hard hit with sales 38 per cent down. Ontario sales are down 39 per cent.

Plymouth and De Soto still remain the only makes of car to improve their showing over a year ago, while Chevrolet, Buick and Studebaker have maintained sales at a better level than the average.

Chevrolet remains the leader in total sales for the year but is being closely pressed by Ford, and another two months of high sales by the latter will take it into the lead. Plymouth has maintained a firm hold on third place since the beginning of the year with Buick and Pontiac in fourth and fifth places respectively. Substantial Durant sales in July have improved the standing of this make.

The following tables give sales of the leading makes arranged according to total sales in July and also sales by provinces.

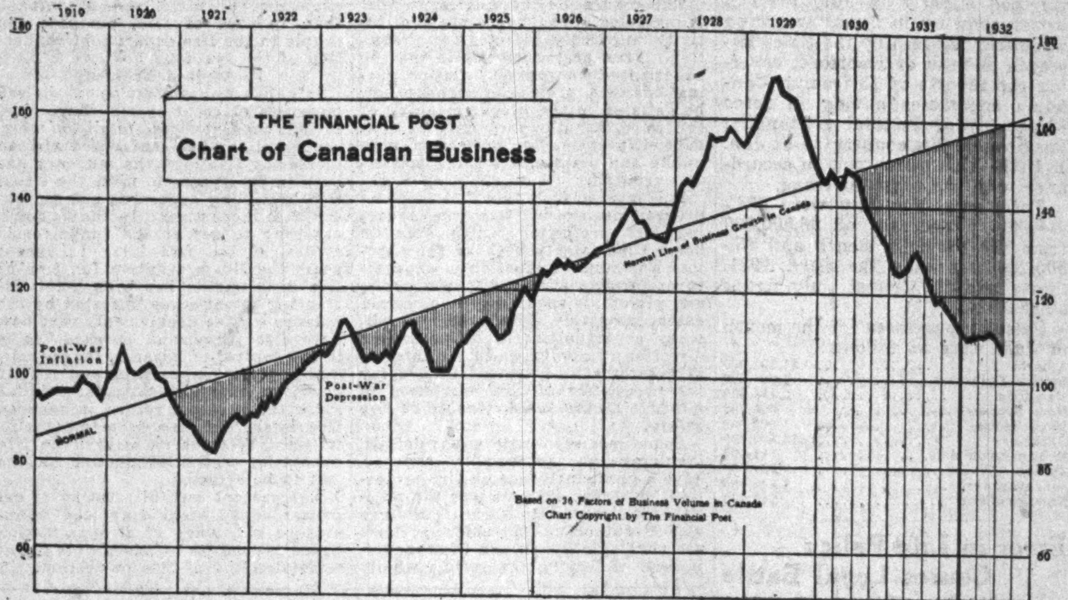
Automobile Sales in Eastern Canada (Most Popular Makes)

	July 1932	7 mos. 1932	7 mos. 1931
Ford	1,355	6,788	11,954
Chevrolet	659	7,569	12,054
Plymouth	275	2,094	1,653
Durant	194	749	1,453
McL.-Buick	136	1,612	2,333
Pontiac	135	1,480	3,540
Willys	113	616	1,048
Chrysler	103	833	1,692
De Soto	80	787	780
Rockne	70	470	....
Frontenac	69	387	....
Essex	67	684	1,661
Dodge	62	765	1,287
Studebaker	53	648	919
Oldsmobile	42	522	1,225

Total Automobile Sales by Provinces

	July 1932	7 mos. 1932	7 mos. 1931
Ontario	2,435	17,678	28,992
Quebec	702	6,246	10,039
New Brunswick	178	1,386	2,599
Nova Scotia	234	1,995	3,737
Prince Edward Island	44	144	518
	3,593	27,449	45,885

Business at New Low, Upturn Needed



The Financial Post business index reached a new low level in July after six months of relative stability. The compilation consisting of 26 factors adjusted for seasonal tendencies was 109.1 in July compared with 110.8 in the preceding month. Several strategic industries such as iron and steel, automobiles and construction showed moderate improvement, though present levels are not such as to inspire optimism. Lumber and newsprint, mineral production and the revenue freight movement showed substantial decline.

The failure of business operations to expand during a month of stock and commodity price appreciation raises a question as to the permanency of the present levels. An improvement in industrial productivity in the near future will be needed to balance the situation.

July Business Statistics Fail to Make Gain

Monthly Index Runs Counter to Trend in Stock and Commodity Prices—Gain Needed for Further Strength in Markets

By SYDNEY B. SMITH

The recession in business operations during July presented a sharp contrast to the marked rally on the stock and commodity exchanges. Important changes in production were mostly in the downward direction, The Financial Post business index being 109.1 in July compared with 110.8 in the preceding month. Although the recession was moderate in July a new low level for the present depression was reached in business operations.

The advance in stocks and bonds during the current period is a phase of the improvement in the psychological attitude regarding economic conditions. The gain during ten recent weeks in the official weekly index of common stock prices was 38.4 per cent. The advance in high-grade bonds was relatively as spectacular as in the field of speculation.

Doubts for Future

The rapidity of the advance on the stock exchanges combined with the adverse tendency in industrial operations, throws considerable doubt upon the possibility of further speculative appreciation in the near future. Toward the latter part of a depression it is normal for stock prices to advance in anticipation of the prospective betterment in commodity prices and business operations. Such a period is generally marked by alternate advances and reactions with the general tendency toward higher prices.

Operations measured by output in terms of physical volume afforded in July very little encouragement for the purchase of speculative securities. The level of operations in June was considered very low but further recession was shown in July. A gain in industrial operations in August is definitely needed to support higher levels for stock and commodity prices.

Iron and Steel in July

The primary iron and steel industry was moderately more active in July, but operations were still at a low ebb. One blast furnace at Hamilton which had been banked during June was again brought into operation. The output of pig iron was 7,317 tons compared with 8,163 tons in June. The production of steel ingots at 27,506 tons showed an increase of 9,388 tons over the preceding month. Contrary to seasonal expectations, the output of motor cars showed a moderate increase in July. Production amounted to 7,472 units compared with 7,112 and after seasonal adjustment the gain was substantial.

Imports of rubber were greatly below the receipts of the preceding month, a total of 3,425,000 pounds comparing with 6,349,000. The decline after seasonal adjustment was 47.2 per cent. The decline in the imports of crude petroleum was less than normal for the season, the total of 104,209,000 gallons showing a gain after adjustment of more than 9 per cent.

Construction Picks Up

The new business obtained by the construction industry was suggestive of a somewhat greater activity in operations along this line. Contracts awarded were valued at $12,540,000 compared with $12,154,700 in June, and after adjustment for seasonal tendencies the indicated gain was no less than 49 per cent. While building permits were less in July than in the preceding month, adjustment for seasonal tendencies would place a different outlook upon the matter. A gain of 13 per cent is deduced after the elimination of the seasonal factor.

Available data on mineral production indicates that operations were less active in July. Shipments of gold and silver showed considerable contraction after seasonal adjustment. Copper exports at 10,486,500 pounds showed a substantial gain over the 6,896,200 pounds of the preceding month. Exports of nickel at 2,254,000 pounds were moderately less than the shipments of 2,279,800 pounds in June. Again was shown in zinc exports over the low level of June. Output of coal was 652,600 tons compared with 749,500, part of the decline being accounted for by seasonal considerations. Despite the gains in the production of several metals, the general index for mineral production reached a new low level for the present year in July.

Flour and Sugar Gain

The flour milling and sugar refining industries showed further gain in the latest month for which statistics are available. The manufacture of sugar in the latest four-week period under consideration amounted to 92,583,000 pounds, compared with 73,722,000 in the preceding period. The output of flour was 1,151,286 barrels compared with 1,040,693, a gain of 23.5 per cent after seasonal adjustment. The volume of inspected slaughterings showed a decline of about 6.6 per cent. Cattle and hogs were slaughtered in lesser numbers than in June while the slaughterings of sheep and lambs increased less than normally for the season. Cold storage holdings of cheese, beef and mutton showed gains in July more than counterbalancing the decline in most other lines.

Employers engaged in retail and wholesale trade reduced their working forces during July. After correction for seasonal tendencies the index was lower than in any month of the present year. The decline in imports and substantial increase in exports resulted in a favorable balance of trade of considerable proportions. This implies a reduction in stocks in internal markets strengthening the statistical position.

Carloadings Drop

Carloadings slumped badly in July, the number being 157,367 compared with 185,181 in June. The grain movement was not nearly so extensive in July as in the preceding month, wheat receipts at elevators at Lakehead, Churchill and Pacific coast ports being 19,800,000 bushels compared with 34,100,000.

Bank debits at $2,176,000,000 were about 6 per cent greater after adjustment for seasonal and price changes. This gain, especially noticeable in Toronto and the Province of Ontario, may be attributed to the quickening in investment and speculative operations. Industrial employment showed further recession reaching after seasonal adjustment a new low point at the first of August.

Canadian Business Indicators

Compiled by The Financial Post

	Weekly Latest 1932	1931	Cumulative Jan. 1 to date 1932	1931
Transportation—				
Car loadings (Aug. 13)	39,050	44,995	1,299,527	1,536,460
C.P.R. gross earn. (Aug. 14)	$ 2,112,000	$ 2,578,000	$ 71,414,000	$ 89,455,000
C....R. gross earn. (Aug. 14)	$ 2,356,197	$ 3,195,883	$ 86,607,413	$ 109,536,234
	Monthly			
C.P.R. net earn. (June)	$ 1,578,616	$ 1,919,823	$ 5,251,879	$ 6,806,359
C.N.R. net earn. (June)	$ 1,227,857	$ ‡105,005	$ 2,408,674	$ 1,329,035
Iron and Steel—				
Pig iron, tons (July)	7,317	40,303	84,518	339,525
Steel, tons (July)	27,506	45,097	207,994	506,974
Automobiles prod. No. (July)	7,472	4,220	47,141	70,305
" exports No. (June)	802	1,084	3,119	10,451
Construction—				
Building Permits (June)	$ 4,386,349	$ 8,593,958	$ 22,577,143	$ 58,950,508
Contracts (July)	$ 12,540,100	$ 28,054,700	$ 87,301,000	$ 190,992,300
Newsprint—				
Production, tons (June)	161,368	193,971	1,004,248	1,138,321
Exports, tons (June)	155,895	189,738	933,446	1,025,672
Sugar—				
Imports, raw, lbs. (June)	56,874,300	55,324,800	325,286,100	362,628,200
Melt. & ship., lbs.*	97,203,618	90,378,160	379,758,469	415,105,585
Manufactured, lbs.*	92,583,064	85,295,029	366,383,597	396,847,003
Flour—				
Production, bbls. (June)	1,151,286	1,121,115	5,932,449	6,648,773
Wheat flour exp., bbls. (July)	446,379	466,967	2,818,605	3,132,225
Other Industrial Indices—				
Lumbering: Plank & board exports mill ft. (July)	37.84	92.21	445.91	551.59
Boots & shoes, pr (June)	1,559,192	1,576,449	9,129,585	8,978,977
Petroleum, imp. crude, gal. (July)	104,209,000	98,145,089	555,188,966	562,472,952
Cotton, imp., raw, lbs. (June)	4,487,000	5,269,000	46,994,000	46,207,000
Rubber, raw, imp., lbs. (July)	3,425,000	5,805,746	30,096,926	36,220,783
Coal, imports, tons (June)	958,742	1,198,335	4,390,878	5,365,746
Gasoline sales, gals., (Mar.)	27,663,888	....	81,787,845	....
Trade—				
Imports (June)	$ 40,743,105	$ 52,508,534	$ 242,047,511	$ 353,898,594
Exports (June)	$ 40,945,490	$ 54,348,421	$ 228,062,711	$ 291,655,503
Wheat exports, bus. (June)	15,857,427	20,783,219	68,206,072	87,886,709
Labor—				
Employment Index (July)	88.7	103.8	......	......
Electric Power—Output—				
M. Kilowatt hours (May)	1,273,519	1,365,786	6,747,850	7,022,142
Finance—				
Failures, No. (June)	176	165	1,287	1,109
Failures, Liabilities (June)	$ 3,794,281	$ 4,613,464	$ 21,221,450	$ 22,853,013
Bank debits† (July)	$ 2,176,000	$ 2,400,404	$ 14,712,824	$ 18,825,548
Bond sales (June)	$ 20,565,444	$ 52,235,397	$ 161,246,484	$ 326,403,511
Insurance sales (July)	$ 34,469,000	$ 39,977,000	$ 253,002,000	$ 301,479,000
Automobile Financing:				
Used cars (June)	$ 1,682,708	$ 2,473,723	$ 7,453,517	$ 12,609,169
New cars (June)	$ 1,771,649	$ 2,444,721	$ 7,823,841	$ 12,981,053

*Four weeks' period, June 19 to July 16. §Jan. 1 to July 16. †(000's omitted). ‡Deficit.

SILK INDUSTRY RECORDS FURTHER GAINS IN 1931

Production Values Increase, Remarkable Expansion in 5 Years

From Our Own Correspondent

MONTREAL.—Further expansion in the silk industry of Canada is revealed in government figures covering 1931. Every phase of the industry showed growth with one exception; the number of plants in operation declined by 2 to 23. Otherwise value of production, number of employees, capital invested, and all other divisions showed definite gains over 1930, which in turn had swung sharply upward from the previous year's levels.

In 1931 the value of silk production in Canada, including artificial silk, amounted to $18,187,492 an increase of $378,894 or 2.1 per cent over the previous year. The principal item in production was broad silk or piece goods of real silk, of which 8,657,612 yards were produced valued at $6,469,207. In comparison with 1930 this was an increase of 2,529,934 yards and $160,348 in value.

More Workers Employed

Owing to low selling values prevailing in the past year a more accurate indication of the industry's activity may be gleaned from a comparison of employment figures. In 1931 number of employees was 6,273 which compared with 5,393 in the previous year. Salaries and wages were up over $1,000,000 at $5,758,995.

The remarkable growth of the silk industry in the past 15 years is revealed in figures issued in the government report. Unlike other textile manufacturers the silk industry has expanded at an astonishing rate since 1917 indicating the trend of fashion away from cotton goods. Since 1917 value of production has increased over 666 per cent; capital invested 1,348 per cent; number of employees 661 per cent; and salaries and wages paid them 1,367 per cent.

Five Year Comparisons

In the past five years value of products and number of employees compare as follows:

	Value of Products	Employees
1927	9,570,917	2,890
1928	10,897,278	3,933
1929	14,476,080	4,372
1930	17,808,598	5,393
1931	18,187,492	6,273

Imports Show Decline

That the silk industry is securing an increasing share of the domestic market is revealed in the further decrease in imports in 1931. Imports of real silk and artificial silk manufacturers totalled $20,434,972. In the previous year imports were valued at $34,781,493. The decline last year therefore was $14,346,521, of which the sharpest percentage drop was in artificial silk manufactures.

Following are comparisons of imports of silk and artificial silk manufactures in 1931 and 1930:

Imports	1931	1930
Real silk	14,411,551	21,000,571
Artificial silk	6,023,421	13,780,922
Total	20,434,972	34,781,493

Few Canadians Emigrate to U.S. In Past Year

Canadians admitted to the United States during the United States fiscal year ended June 30, 1932, numbered 7,927 as compared with 21,687 in the previous fiscal year and over 63,000 in the year ended June 30, 1930.

The high point in emigration to the United States was reached in 1924 when over 200,000 persons left Canada to take up permanent residence in that country and during the three years 1923, 1924 and 1925 more than 418,000 Canadians crossed the border.

There is also a considerable flow of Canadians back to Canada from the United States, the total in 1931 being actually larger than that of emigrants to that country. The following table gives figures for the past ten years of emigration to the United States and Canadians returning from that country.

	Canadians Returning from U.S.A.*	Emigration to U.S.A.†
1922	‡	46,810
1923	‡	117,011
1924	‡	200,690
1925	43,775	100,895
1926	47,221	91,019
1927	56,957	81,506
1928	39,887	73,154
1929	33,798	64,440
1930	29,830	63,502
1931	30,209	21,687
1932	‡	7,927

*Years ended Mar. 31, compiled by Dominion Bureau of Statistics.
†Years ended June 30, compiled by U. S. Commissioner of Immigration.
‡Figures not available.

PICK-UP SEEN IN RETAIL SALES

R. G. Dun Finds Business Better Through Canada

Buoyed by the rising commodity prices and the heavier purchases in agricultural districts, retail sales have broadened remarkably during the last two weeks, and wholesalers are feeling the influence of the wider distribution, according to the weekly report of R. G. Dun & Co. Commitments for fall are in excess of the volume at this time last year, salesmen are sending in more encouraging reports from their territories and in many instances factories have been unable to meet the specified shipment dates on many desired articles. Tourist traffic continues to make inroads on retail stocks in the cities along the border, and hotels are making up some of the slack in business that occurred earlier in the season.

A somewhat better demand is reported from the Western Provinces for medium-priced agricultural implements, sales during the summer season being fully 20 per cent ahead of those of last year. Passenger automobile sales are confined chiefly to the lower-priced models, with commercial car sales unsatisfactory. Retail hardware trade has tapered off somewhat, but the summer volume, as a whole, has been relatively good.

Replacement parts for mills and sales of second-hand equipment account for a large proportion of machinery dealers' sales. There has been a noticeable pick-up in air traffic, as many inward and outward passenger planes were checked at the airport at Montreal as in July last year. Industrial chemicals are in good demand, with prospects bright for increased future sales. Enquiries are numerous for patent medicines, drugs and toilet preparations. The movement of grain through Montreal is being maintained at a substantially higher level than last year. Cheese exports to the United Kingdom are increasing, and cattle shipments to the same destination also are larger.

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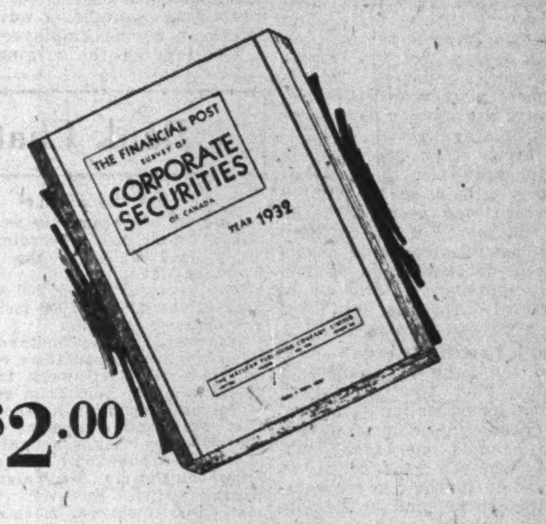

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SURVEY OF CORPORATE SECURITIES 1932

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MANY changes have taken place in the structure of Canadian companies in the past year. Difficult conditions have influenced operations and earnings. Reorganizations have been numerous. The new edition of The Financial Post Survey of Corporate Securities contains details of all such changes. It is essential that the investor secure this new edition if he is to know the present position of the companies in which he is interested.

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LIFE COMPANIES SEE IMPROVEMENT IN LOAN DEMAND

Fewer Policy Loans in Past Six Weeks Reported

Improvement in the policy loan situation which has been worrying life insurance executives for the past year or two is indicated in the past six weeks according to officials of leading companies interviewed by The Financial Post this week.

The most pronounced change for the better is reported by an official of the Sun Life Assurance Co. who told The Financial Post that the policy loan figures for this company showed a "very marked decrease both as to number and amount" in the last six weeks.

Canada Life Assurance officials report that while the percentage change has been small, there had been a slight decrease both in the number and amount of policy loans issued during July and August and that while it was yet too early to see a definite trend, the situation, after the high figures of the past two years was hopeful.

Dominion Life Loans Down

From Waterloo companies come also reports of an improved situation. Mutual Life of Canada reports that its lapse ratio for 1932 to date which is closely tied to the policy loan situation, is lower than that for 1931, while Dominion Life officials report a decline in policy loans for both June and July.

A Manufacturers Life official reports that their company sees some slackening in policy loans in recent weeks. This is thought to be due in part to an improvement in the general situation surrounding the demand for such loans and also in part to customary summer slackness.

Other companies interviewed reported little or no change only one company reporting that July loans were running a little ahead of June, 1932 and July, 1931, figures.

Earlier in the year, press reports from the United States that they had turned the corner in regard to policy loans, were discounted somewhat by executives of Canadian companies. While some slight improvement in the heavy drain on life company funds from this quarter had been noted, most executives in Canada were inclined to feel that the improvement had not gone sufficiently far to indicate definitely that the turn had come.

Outlook Now Better

Subsequent experience justified this view for several leading companies found loans continuing at a high rate during most of the first half of 1932. Since the end of June, however, the results have been somewhat more favorable and if they are continued during August and September it will be evident that the worst is over in this respect.

Since continued declines in security markets can be definitely traced as one important source of policy loans, the improvement that has taken place in that regard in the past six weeks will very probably prove a factor in cutting down the demand for policy loans. One official expressed the view that the experience of his company seemed to point to the fact that in many cases the saturation point in regard to loans had been reached by a great many policyholders, which was thought to also have a bearing on the falling off in demand.

1931 Loans at New High

In 1931, according to figures prepared by the federal insurance department, insurance companies in Canada paid out $107,000,000 in new policy loans which was a 21 per cent increase over the high mark of $88,000,000 reached in the previous year. Total policy loans in force for federally-licensed companies totalled $267,000,000 at the end of 1931 as against $229,000,000 at the end of the preceding year. This was an increase of $36,000,000 as compared with an increase of $34,000,000 in 1930 over 1929.

Loans repaid either by cash or surrender showed a considerable increase, however, over 1930, the total amount repaid in this way in 1931 being $58,000,000 as compared with $45,000,000 in 1930. This would be a highly satisfactory state of affairs if it were not that exactly half of the 1931 total is due to policies surrendered which means that $29,000,000 of policies have been lapsed to meet the demands of policy loans.

Lead to Lapsation

This is the most unfortunate feature of the entire policy loan situation, namely, that all too many policy loans invariably lead to lapsed insurance contracts. In 1930, out of total repayments of $45,000,000, only $19,000,000 or 42 per cent was from surrendered policies.

Policy loans repaid by cash in 1931 totalled $29,000,000 as compared with $26,000,000 in 1930.

In the United States it is reported that lapses on life policies have shown a considerable retraction and that as a result the loosening up of a considerable amount of insurance money for investment in mortgage and other channels is expected. It is pointed out that even if policy loans against Canadians were to return to the 1928 level it would release something like $50,000,000 of additional money for investment by Canadian companies. In that year only $59,000,000 was loaned to policyholders of Canadian companies both here and abroad.

Superintendents Invited to Winnipeg Meet

Superintendent George S. Van Schaick, of the New York State Insurance Department, has accepted an invitation to address the fifteenth annual conference of the Association of Superintendents of Insurance of the Provinces of Canada at Winnipeg, September 6-8.

G. D. Finlayson, federal insurance superintendent, and Insurance Commissioner Charles D. Livingston, president of the National Convention of Insurance Commissioners of the United States, have also been invited to this convention. Superintendent Finlayson has been asked to speak on the subject of "Co-operation in Respect to Insurance Legislation and Administration."

Ordinary Life Insurance*

	1927	1928	1929	1930	1931	1932
January	$36,986,000	$47,569,000	$49,739,000	$45,074,000	$41,188,000	$37,331,000
February	35,525,000	39,962,000	47,140,000	43,925,000	40,180,000	38,145,000
March	42,883,000	44,823,000	48,066,000	49,047,000	46,945,000	37,467,000
April	41,631,000	46,718,000	51,842,000	51,649,000	45,648,000	33,629,000
May	44,553,000	49,581,000	50,547,000	48,871,000	41,314,000	30,998,000
June	45,298,000	51,884,000	53,402,000	54,168,000	46,227,000	40,963,000
July	39,962,000	49,492,000	54,809,000	46,505,000	39,977,000	34,469,000
August	38,360,000	43,503,000	41,329,000	36,249,000	35,738,000	....
Sept.	35,000,000	38,872,000	43,013,000	38,994,000	30,066,000	....
October	48,104,000	55,743,000	50,894,000	44,527,000	36,006,000	....
Nov.	44,935,000	54,865,000	55,624,000	46,186,000	38,860,000	....
Dec.	48,899,000	56,647,000	54,189,000	49,026,000	47,163,000	....

Total, first 7 months, 1932	$253,002,000
Total, first 7 months, 1931	$301,479,000
Decrease, first 7 months, 16.0%	$ 48,477,000
Decrease, July, 1932 from July, 1931, 13.8%	$ 5,508,000

*Companies having in force 84 per cent of total outstanding business in Canada as at Jan. 1, 1931. New paid for, ordinary business only. Figures include both Canada and Newfoundland and are prepared by Life Insurance Sales Research Bureau, Hartford, Connecticut

FIRE LOSS RECORD VERY BAD HERE AS AGAINST U. K.

Canada's Per Capita Loss is 4.5 Times That of Great Britain

Canada's lurid fire record of the past decade stands out sharply when compared with per capita fire losses of Great Britain and Ireland and the United States.

Comparative figures for the three countries have been compiled by the National Fire Protective Association and show that although Great Britain has nearly five times the population of Canada, our annual fire loss is almost identical which gives Canada a fire loss on a per capita basis of four and a half times that of the Old Country.

Worse Than U. S. A.

On a per capita basis, Canada's record is considerably worse than that of the United States, the figures show, although that country is usually thought of as being a place where public opinion is little concerned with the appalling losses from fire which take a toll of over $1,500,000 every working day. Per capita fire loss in the United States in 1931 was $3.74 as compared with a corresponding figure for Canada of $4.54. The British figure for the same year was $1.04.

Looked at over the ten-year period United States has made the greatest strides in cutting down fire loss while Canada has made probably least progress. Thus the 1931 per capita loss of the United States of $3.74 is 14 per cent lower than the ten year average. The Canadian per capita loss is only 1.5 per cent below the 10-year average while the British figure is down nearly 9 per cent.

Ten-Year Record

Comparative figures for showing the total and per capita loss of each of the three countries in the last decade, follows:

CANADA

	Total Loss	Per Capita
1922	$ 54,391,000	$6.11
1923	48,282,000	5.36
1924	45,907,000	4.99
1925	40,780,000	4.35
1926	38,295,000	4.15
1927	32,254,000	3.29
1928	36,402,000	3.79
1929	47,499,700	4.83
1930	46,109,900	4.50
1931	47,117,334	4.54

UNITED STATES

	Total Loss	Per Capita
1922	$506,541,000	$4.62
1923	535,373,000	4.84
1924	549,062,000	4.90
1925	559,419,000	4.85
1926	561,980,000	4.80
1927	472,933,000	3.96
1928	464,607,000	3.87
1929	459,446,000	3.81
1930	499,739,000	4.09
1931	464,633,265	3.74

GREAT BRITAIN AND IRELAND

	Total Loss	Per Capita
1922	$ 46,100,000	$1.04
1923	63,250,000	1.43
1924	43,400,000	.97
1925	43,800,000	.99
1926	42,410,000	.96
1927	38,361,000	.87
1928	51,654,000	1.17
1929	75,901,000	1.72
1930	51,125,428	1.27
1931*	47,932,245	1.04

*Figured on normal exchange ratio of 4.8665 in order to continue the comparison on same basis as other years.

Insurance Problems

Insurance questions of general interest submitted by subscribers of The Financial Post will be answered in this column. Other enquiries will be answered by mail. A three-cent stamp should be enclosed to cover a direct reply.

New York Life

I hear that the Mutual Life of New York is withdrawing from the Canadian field and although I am not a policyholder in this company I hold policies in the New York Life and am wondering whether or not I should not switch these to a Canadian company. Is New York Life a sound concern?

New York Life Insurance Co. is one of the leading life insurance institutions on this continent, and you need have no doubt as to its soundness.

As far as Canadian policyholders are concerned, the company maintains over $48,000,000 on deposit with the Canadian trustees, or with the department of insurance at Ottawa for the protection solely of its policyholders in Canada. In addition it has another $14,000,000 invested in Canadian securities. This is considerably more than is required to meet all its liabilities in this country.

The New York Life has been doing business in Canada since 1868 and its record, not only here but wherever it does business, has been excellent. As far as we can ascertain the company has no present intention of following the lead of the Mutual of New York and withdrawing from Canada. Even if it did so your interests as a Canadian policyholder would be amply protected. We would certainly not advise you to switch policies on this account.

Union Indemnity Business Taken by Cont. Casualty

Continental Casualty Co., Toronto, announces that it has reinsured the business in Canada of the Union Indemnity Co. of New Orleans, La., as from August 1, with the exception of the guarantee lines; that is, fidelity and surety.

The lines reinsured by the Continental Casualty are: automobile, burglary, plate glass, accident and employers' liability.

Plan Reorganization For Columbia Life

Arrangements for reorganization of the Columbia Life Assurance Company with a provincial charter instead of the present Dominion charter will be made at a meeting of shareholders called for Aug. 26 at the head office, Vancouver.

W. C. Brown, president, in a letter to shareholders states that special resolutions will be presented providing for application of withdrawal by the company of its deposit at Ottawa and depositing it with the British Columbia insurance department.

It is proposed also to seek additional powers for the company, or through a subsidiary company to undertake other branches of insurance as directors may determine.

Ordinary Sales Slump Slightly In Past Month

Sales of ordinary life insurance in Canada and Newfoundland slumped slightly in July after a better showing in June, according to figures released by the Sales Research Bureau of Hartford, covering the reports of 15 leading Canadian companies having in force 84 per cent of the total outstanding business in this country as at Jan. 1, 1931. This slump was in accordance with the seasonal trend.

Total sales for July were $34,469,000, a decrease of $6,500,000 from the previous month and $5,500,000 less than the July, 1931, figure and the lowest July figure since 1924.

Sales by provinces for the month of July were as follows:

Alberta	$1,535,000
British Columbia	2,001,000
Manitoba	2,186,000
New Brunswick	965,000
Nova Scotia	1,305,000
Ontario	14,587,000
Prince Edward Is.	111,000
Quebec	9,924,000
Saskatchewan	1,602,000
Newfoundland	243,000

Error in Life Policy Causes Legal Battle

Whether an insurance application should be construed strictly according to the wording or whether the error of a clerk in failing to scratch out a part of the printed form should be considered was the question confronting Judge Carpenter in a surrogate court case in Hamilton, Ont., recently. Judgment was reserved.

James Darby, an employee, took out a policy in the company group benefit plan and named his housekeeper, Mrs. Alice Hertford, as beneficiary. Although she was no relation he described her as his niece.

The printed form states that the proceeds are to be paid to the wife, children, mother or father, or other relatives, which part should be scratched out if any other person is desired as beneficiary.

The clerk stated that in the rush of applications she forgot to strike out the printed form when Mr. Darby named his housekeeper as beneficiary.

Beware Economy Measures That Reduce Fire Protection

Reprinted from July Bulletin of National Fire Protection Association

The general business deflation that is involving almost every phase of activity inevitably affects fire protection. Fire protection itself, having experienced no special inflation during business prosperity, cannot now be deflated in the proper meaning of the word, but the fact remains that expenditures for fire protection, both public and private, are being materially reduced.

It is most unfortunate that economy programmes are in some cases reducing fire protection which even in boom times was not above the absolute minimum. Reduction in expenditures for fire protection, both public and private, is apparently to a certain extent inevitable. There are, however, many opportunities to influence the direction of economies in the interest of greater efficiency, and by keeping the necessities of fire protection in mind, to secure some measure of fire safety.

Sometimes seemingly minor details, involving no appreciable expense, have a great influence on fire protection. A recent example was the practice with respect to vacant buildings where automatic sprinkler systems are shut off. By a little forethought, instead of leaving the system wholly useless, the valves can be left so that, in case of fire, pumpers can couple to the fire department connection of the system.

Ill-Advised Economy

In public fire protection ill-advised measures of economy may have most serious consequences. In all too many communities when confronted with an increasing fire loss, the tendency has been in past years to meet the situation by adding apparatus and men to the fire department, without doing anything to get at the fundamental causes of the fire loss. In recent years the fire prevention function of fire departments has been given increasing attention, as attested by the number of fire departments that now have fire prevention bureaus. It is in the control of hazards, the investigation of suspicious fires and similar activities that the taxpayer's dollar gives the greatest return in reduced fire losses. If fire department curtailment becomes necessary, the fire prevention activities should be the last to be affected.

The present careful scrutiny of expenses of all kinds may lead to increased efficiency of fire protection agencies and to a more intelligent understanding of fire protection.

A $400,000,000 Liability

Potential insurance of $400,000,000 with the Commercial Union Assurance Co. is carried by the Armored Service Corp., for its contract to move one billion dollars worth of gold through the streets of New York City. This gold movement is said to be the largest ever attempted in the United States and is due to the removal of the United States Assay office from its old office on Wall Street to its new building at Old Slip and South Street.

Silver worth $62,000,000 has already been moved by this company as part of the same contract which nets the company $19,500. The company is allowed 20 days each in which to move the silver and gold. Should the company fail to fulfil its contract within the time specified it will pay a penalty of $850 a day. It will employ 30 employees in the operation.

Valuable Auto Policy Data Published by Superintendent

In connection with the new uniform automobile insurance act which is being adopted as at September 1, by the majority of Canadian provinces, the association of Superintendents of Insurance has issued a valuable and attractive loose leaf folder containing general instructions and standard forms for the use of provincial officials and company officials.

The folder contains a report of the committee of underwriters approving the standard forms and endorsements and also general instructions regarding the use of these forms. It also contains a complete set up of the 16 individual endorsement forms adopted by the committee, copies of the new owners and drivers application forms and the new owners and drivers policy forms.

It should prove of very considerable value to underwriters and is also a tribute to the uniformity achieved by the provincial superintendent in recent years.

New Books

"Proceedings of Canadian Political Science Association"

The proceedings of the recent annual meeting of the Canadian Political Science Association have been published in a well bound volume of some 268 pages and are now available to anyone who would find them of value.

A great many excellent and authoritative papers on subjects of current political and economic interest are included. An important group of papers discusses the extent of unemployment in Canada and the relief of unemployment by public works, insurance and private charity. Another group of papers discusses the gold standard, currency, management, Empire currency, etc. The proposal for a commonwealth tribunal, the sino-Japanese controversy, combines and public policy, the party system in Canada, and the St. Lawrence Waterways project are all discussed by students who have given these subjects a great deal of thought.

Dr. S. J. McLean's presidential address is published in full. It deals with early Canadian railway development.

This is the fourth annual volume of the proceedings of the Canadian Political Science Association. The successive books are providing a continuing record of Canadian economic and political developments and a number of students of public affairs have already started sets of these books.

Copies are being distributed now to members of the Canadian Political Science Association but they are available also to non-members at $3 per volume through Prof. V. W. Bladen of the University of Toronto, 273 Bloor St. W., Toronto.

Current Events in Banking World

REFUSE TO HONOR LEGALLY ENDORSED CERTIFIED CHEQUE

No Canadian Precedent for Unusual Action of U. S. Bank

Is a bank justified in refusing payment of a certified cheque, properly endorsed by the payee and presented by him, or his agent, for payment, when it has been informed by the payer that the item in question had been stolen by the payee and not handed to him for value received?

As far as can be ascertained in Canadian banking circles this position has never exactly occurred in Canada. Bankers interviewed by The Financial Post did not commit themselves on what their action would be under the circumstances. They stated that a banker would have to be very sure of his ground before he would stop payment on a certified cheque which was presented properly endorsed. To refuse payment of such an item, they said, seemed a sure way to become embroiled in a legal action.

While there is no precedent in Canada for a decision in a case of this nature, a bank in the United States which was recently asked to stop payment of a certified cheque under the above set of circumstances, decided to do so and prepared to uphold its decision in the courts of law. The details of the case were as follows:

Bank Certifies Cheque

One of the bank's customers, a large contractor, was putting through a construction job and drew a cheque in favor of a man who had handled one of the subcontracts, had the bank certify it and mailed it to their representative on the job to hand to the subcontractor, subject to the representative's approval of the work done.

Two days later the customer came into the bank and asked the bank if they could stop payment of the cheque. According to the customer, their representative was not satisfied with the work done and had refused to hand the cheque to the payee when he called to get his money. The cheque, however, was lying on the representative's desk, face upward and the payee recognized it. He grabbed the cheque and hurried away with it.

Payment Refused

The bank realized that it had assumed a direct liability to pay the cheque when presented properly endorsed and therefore the regular procedure would have been to tell the payer that they could not stop payment on the cheque and that he would have to seek other recourse. However, the customer was a valuable one to the bank and the evidence made it appear that he had received a raw deal so the bank agreed to refuse payment of the cheque, after having taken the customer's bond to protect itself against any possible expense.

Now, when the payee deposited the cheque in his own bank he had apparently told his banker something of the circumstances attending his possession of the cheque and his bank gathered enough to surmise that an attempt might be made to stop payment. It intimated such a suspicion in a letter to the paying bank, which read, in part: "As we have advanced value to the payee and are the rightful owners of the cheque, we shall hold you responsible for payment."

Law Suit Threatened

Despite threatened law suits to compel payment, the case never came before the courts as the receiving bank got the payee and payer together and arrived at an amicable settlement.

If the cheque had been endorsed to a third party who thereby became a holder for value the bank would have no alternative but to pay the certified cheque when it was presented, Canadian bankers agreed. On the other hand, if the cheque had been lost or stolen, payment could be stopped unless the item were presented properly endorsed in which case the paying bank would require a guarantee of the endorsement of the cheque by the bank in which it was deposited; this being forthcoming, the bank would have no alternative but to honor the cheque as any liability which might exist was thereby transferred to the bank which accepted on deposit, or cashed, the certified item in question.

Ask Advertising Follow-up From Royal Bank Staff

Action of Royal Bank of Canada in circularizing its staff pointing out to them the need for living up to the statements made by the bank in its newspaper and direct-by-mail advertising, and forwarding to all branches copies of advertising being run to keep their staff fully conversant with the statements made, has brought flattering comment from the United States.

Herbert L. Stephen in the New York Evening Post says: "So many firms advertise and fail to back it up, particularly banks, that the following from the Royal Bank of Canada proves rather interesting." Then follows the original letter sent out by the bank to all members of its staff.

American Banker, New York, also published the letter as "an interesting example of advertising follow-up among employees."

The text of the original letter sent to bank employees is as follows:

"The success of this campaign, to a very large extent, will be determined by the co-operation it receives from every member of the banking force.

"Definite pledges are being made both through the mails and through the press. These pledges are in reality promissory notes issued over the signature of your bank to the people of your community.

"How will these notes be paid by you when you come in contact with a prospect or a customer of your bank?

"Will your cordiality, your courtesy, and your method of handling every transaction be of such a nature as to cause every individual to feel—'Well, here's a bank that makes good its pledges—it practises what it advertises.'

"Therefore, to enable you to be in position to live up to your bank's advertising, as you are naturally desirous of doing it is highly important that you should be familiar with the various pledges that are being made."

Bank Chat

But It's All Wet

Gold in the oceans is worth $28,000,000,000,000,000, according to a study just made by the National Research Council.

This is about $14,000,000 worth for each of the 2,000,000,000 men, women and children on earth.

However, the best methods so far tried required expenditure of $50,000 and several years' work to extract $5000 worth of gold from sea water.

Not until deflation has gone so far that work and equipment that cost $50,000 today can be bought for less than $5,000 gold, will taking bullion from solution in sea water become worth while. However, improved methods and cheaper machinery may come first.

Canadian Bank of Commerce announces the following changes in staff and branches:

W. R. HENDERSON, inspector at Halifax has been appointed an inspector at head office.

R. H. STINSON, inspector at Montreal, has been appointed inspector at Halifax.

J. R. BAIL, manager at Lacolle, has been appointed manager at Amos, Que.

E. H. OLIVER, manager at Gray, Sask., has been appointed manager at Cudworth, Sask.

A. D. CRYDERMAN, manager at Rabbit Lake, Sask., has been appointed manager at Hafford, Sask.

W. G. MOORHEAD, manager at Hafford, has been appointed manager at Hawarden, Sask.

F. J. NESBITT, manager at Pleasantdale, has been appointed manager at Rabbit Lake, Sask.

A. H. Russell, manager at Three Rivers, has been appointed manager at Uppertown branch, Sherbrooke, Que.

J. G. ROY, manager at Uppertown, Sherbrooke, has been appointed manager at Wellington Street, Sherbrooke, Que.

J. L. ROUSSEAU, manager at Amos, Que., has been appointed manager at Three Rivers, Que.

E. B. WALKER, manager at Dresden, Ont., has been appointed manager at Norwood, Winnipeg, branch.

R. J. PRENTICE, manager at Cudworth, Sask., has been appointed manager at Wiseton, Sask.

EMO, ONT., branch will be closed on Tuesday of each week commencing August 2.

STRATTON, ONT., branch, subagency to the Emo, Ont., branch will be closed on August 31.

ST. HUBERT STREET, MONTREAL, branch will be closed on Aug. 30.

Dominion Bank announces the following staff changes:

W. W. CRESWICK, formerly manager at Thamesville, Ont., has been appointed manager at Bracebridge, Ont., succeeding HENRY WARREN who has retired on pension.

E. C. BOSWELL, formerly manager at Baden, Ont., has been appointed manager at Seaforth, Ont., as successor to the late R. M. JONES.

G. HEATH ROSS replaces Mr. Boswell at Baden.

J. D. KETCHUM, formerly accountant at Queen and Ossington branch, Toronto, has been appointed acting manager at St. Clair Ave. West, branch, Toronto.

D. S. HUNTER succeeds Mr. Ketchum at Queen and Ossington branch.

BANKS ABANDON WINDOW-DRESSING

London Banks' Statements Show Correct Position Without Padding

Half-yearly statements of the London, Eng., clearing house banks reveal two innovations, both following recommendations of the Macmillan Committee. One is the abandonment of "window-dressing," and the other is a decrease of till money held by the banks. The practice of window-dressing by which banks increased their apparent cash holdings by calling in loans on certain days when making up their average monthly statements was roundly condemned by the committee as unnecessary and misleading. Its abandonment will cause no regrets. Clearing Banks have been in the habit of holding large reserves of notes, especially in their country branches, and this was also adversely viewed by the committee as tending unnecessarily to increase the note circulation. The increase of bankers' balances at the Bank of England by £25,000,000 to £86,565,000 in the return published on June 29, 1932, compared with that on June 24 last year, indicates that the Clearing Banks have modified their practice in conformance with the committee's recommendations.

Weekly Bank Clearings

Eastern Cities

	Aug. 20, 1931	Aug. 18, 1932
Halifax	$ 2,534,494	$ 2,700,768
Halifax	$ 2,534,494	$ 2,007,768
Moncton	696,391	564,902
Sherbrooke	759,974	540,504
Quebec	5,215,433	4,007,659
Ottawa	6,272,589	3,578,917
Montreal	101,486,249	71,743,546
Kingston	597,224	526,229
Peterboro'	795,705	486,401
Toronto	87,943,289	73,877,937
Hamilton	4,191,405	3,256,837
Kitchener	811,147	723,589
Brantford	821,709	648,572
London	2,814,425	1,956,156
Chatham	341,431	380,151
Windsor	2,381,405	2,283,791
Sarnia	425,077	347,163
Sudbury	701,342	457,456

Western Cities

	Aug. 20, 1931	Aug. 18, 1932
Fort William	$ 678,594	$ 600,895
Winnipeg	35,756,014	35,743,626
Brandon	394,888	322,055
Regina	3,092,030	2,514,682
Moose Jaw	574,223	418,918
Saskatoon	1,506,256	1,275,696
Prince Albert	337,691	241,260
Edmonton	5,065,731	3,420,285
Calgary	5,472,487	4,664,789
Medicine Hat	219,279	165,451
Lethbridge	388,714	340,005
N. Westminster	751,536	429,719
Vancouver	13,698,180	10,912,731
Victoria	1,751,537	1,274,143

A man lives too long—if his old age must be spent in poverty and want.

He dies too soon—if his family is left without provision.

Endowment insurance affords protection against either of these possibilities. If the assured lives, the maturing endowment will provide an income for his later years and enable him to enjoy his leisure. If not, his family's needs will be taken care of.

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THE ONTARIO EQUITABLE LIFE AND ACCIDENT INSURANCE COMPANY
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Policy Reserves 6,846,054
Insurance in Force ... 51,355,672

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Toronto Office: 205 Brock Building
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President, J. B. Coyne, K.C., Winnipeg, Man.
1st Vice-President, T. S. McPherson, Victoria, B.C.
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Head Office—Wawanesa, Man.

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FIRE · MARINE · AUTOMOBILE · ACCIDENT · SICKNESS · BURGLARY · GUARANTEE
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This protection covers practically every phase of family life. In addition to the protection afforded through its Insurance and Sick Benefit Departments, a number of practical fraternal benefits are available to its members.
Assets — $49,000,000.00
Independent Order of Foresters
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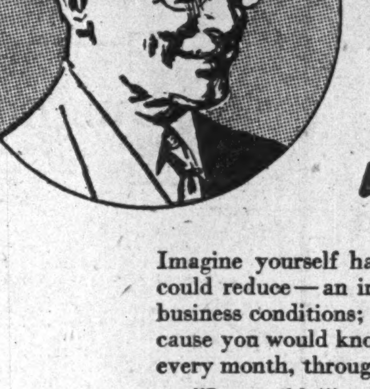
HEAD OFFICE: TORONTO, CAN.



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Imagine yourself having a good comfortable income, which nothing could reduce—an income which would remain the same regardless of business conditions; an income every cent of which could be spent, because you would know another cheque would come along the same day every month, through all times, good or bad, as long as you lived.

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Send the coupon below and a copy will be mailed you.

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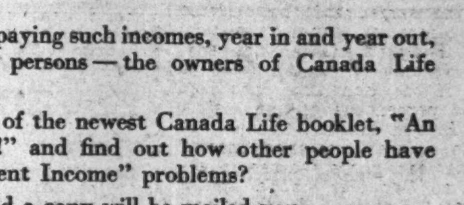
TORONTO, ONT.

The CANADA LIFE ASSURANCE COMPANY
TORONTO, ONT.
Gentlemen:
You may send a copy of your Booklet, "An Income Guaranteed for Life" to:
Name........................
(Mr., Mrs., Miss)
Address........................



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SECOND SECTION

THE FINANCIAL POST

SECOND SECTION

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BRITISH OFFER EMPIRE MINES REAL BENEFIT

Lead, Zinc and Asbestos Preference 10 Per Cent, Copper Two Pence

WAY NOW PAVED

No Immediate Price Advance Foreseen; Empire Producers Must Share British Markets

With the Imperial Economic Conference drawn to a close and the delegates wending their way home, Canadians are beginning to take stock to appraise the results that may accrue to the industries from the preferences offered by Great Britain to Canada and other members of the British Commonwealth of Nations. Mining men are optimistic over the preferences extended the industry particularly to the producers of copper, lead, zinc and asbestos. These industries gained substantially what they sought but now that the door to the British markets has been opened wider, stock-taking has started to interpret just what these new markets mean in dollars and cents.

To start with, the two pence preference on copper means a little over three cents per pound in Canadian funds at the present rate of exchange. To the United States producers it will mean a little less than three cents per pound duty in terms of U. S. exchange.

The following are the schedules of preferences affecting Canadian producers:

Schedule B:—Copper, unwrought, whether refined or not, in ingot, bars, blocks, slabs, cakes and rods will enjoy a twopence (4 cents) per pound preference.

Schedule C:—Lead, zinc and asbestos continues to enjoy the 10 per cent preference covered in article 3, namely: "His Majesty's government in the United Kingdom undertakes that the general ad valorem duty of 10 per cent imposed by section one of the Imports Duties Act 1932 on foreign goods specified in schedule 3 shall not be reduced except with the consent of His Majesty's Government in Canada."

While these preferences were conceived to reserve for the Empire such markets as Great Britain afforded, it has not solved the internal competition that is likely to arise among the producers of the various minerals throughout the Empire. This means that it is now up to Canadian producers to secure as much of the British market as they can if the greatest profit is to accrue.

Big British Market Awaits

Just what profits will accrue to Canada by these trade overtures only time will tell, but the following tabulations show what these markets have amounted to in the past and what percentage has been enjoyed in Canada.

IMPORTS BY GREAT BRITAIN

Copper

(In Long Tons)

	1931	1930	1929
(Copper ore, matte, precipitate, cement copper and scale)			
Canada ...	18,325	22,386	14,146
Total	35,651	46,823	39,051
Value, £ ..	1,231,093	1,805,145	1,613,664
(Copper blocks, slabs, ingots and cakes)			
Canada ...	nil	nil	nil
U. S.	44,847	64,067	85,944
Chili	44,553	50,098	51,234
Australia .	9,342	7,999	2,514
Other	31,925	22,884	14,020
Total	130,696	145,048	153,712
Value, £ ..	5,524,069	8,917,295	12,577,026

Note—Of these imports 4,347 tons were re-exported in 1931; 4,729 tons in 1930 and 6,108 tons in 1929.

	1931	1930	1929
(Copper plates, sheets, strips and rods)			
Canada ...	nil	nil	nil
U. S.	11,223	15,083	12,838
Other	19,853	13,377	5,460
Total	31,076	28,460	18,298
Value, £ ..	1,514,304	1,938,466	1,593,013

Lead

(Pig & Sheet)	1931	1930	1929
Canada ...	39,139	42,854	46,515
U. S.	55,177	103,712	68,136
Spain	13,865	11,712	17,106
Mexico	26,365	1,850	16,400
Australia ..	110,208	103,611	90,436
Other	65,234	71,471	58,689
Total	309,988	335,299	297,282
Value, £ ..	4,113,718	6,214,000	6,923,545

Zinc

(Slabs, blocks and cakes)

	1931	1930	1929
Canada ...	63,373	38,997	20,036
U. S.	12,080	16,458	17,339
Belgium ...	2,081	19,423	42,252
Australia ..	27,698	10,272	12,688
Germany ..	16,463	31,119	33,817
Other	23,811	19,115	16,298
Total	145,506	135,384	142,480
Value, £ .	1,846,002	2,458,998	3,656,639

Asbestos

(Raw fibre and waste)

	1931	1930	1929
Canada ...	2,651	5,544	5,288
Rhodesia ..	7,994	9,252	10,611
Other	10,486	10,391	15,078
Total	21,131	25,187	30,977
Value, £ .	493,081	727,341	991,951

Of the four minerals and their products named in the schedule, copper appears to be the most important concession at the moment. With Canada's normal copper markets in United States shut off since June this year by a 4 cents per pound duty, it became obvious that new markets must be sought. The new schedule of British preference is at the same rate that United States offers its copper producers.

U. S. Bought Canadian Copper

The foremost question in the minds of the Canadian producers is what percentage of this newly found British market will accrue to them, as statistics show that in previous years there has been practically no Canadian copper going to Great Britain. Furthermore, there are other Empire producers that will want a share of the British market and will enjoy the same preference. Foremost among these is Northern Rhodesia, one of the greatest potential copper producers in the world, which inaugurated production last year. Installed equipment by these producers will permit of an annual production of 290,000 short tons of blister copper.

Canada's refined copper production is limited to the present capacity of its two operating refineries or 195,000 short tons annually. Of this capacity 120,000 tons is provided by the Ontario Refining Co. —a subsidiary of International Nickel at Copper Cliff, Ont., and 75,000 tons from the Canadian Copper Refineries at Montreal East—

(Continued on page 16)

Twelve New Pacts Are Major Result Of Empire Meet

Detailed Summary of Accomplishments of Big Imperial Parley Reveals Many Important Concessions

INDIVIDUAL PACTS OUTLINED

Currency and Other Problems Played Minor Role Compared With Central Issue of Empire Tariff Schedules

By Staff Editor

OTTAWA.—Major results of the Ottawa Imperial Conference which concluded last week include the signing of 12 new trade treaties between the nine Empire countries represented at the meeting. All these treaties are subject to ratification by the governments of the signatory countries.

Of the 12 treaties signed, Canada participated in four, her treaties being with the United Kingdom, Irish Free State, South Africa and Southern Rhodesia. United Kingdom signed six other pacts in addition to her treaty with Canada. Other treaties signed were two by South Africa with Irish Free State and New Zealand respectively.

Broad details of most of the pacts are available although in the case of the Canada-United Kingdom pact a vital part, namely, schedule "E" which contains the major tariff concession granted to U. K. by Canada and comprising 220 items in all, has been withheld until it is submitted to the Canadian parliament. Tariff schedules are also missing from other important treaties. Official details of the pacts between Canada and the Irish Free State, South Africa and Southern Rhodesia are also withheld. Provisions of the Canada-U. K. pact will apply in practically all respects to the non-self-governing countries of the Empire.

All treaties except the U. K.-Indian pact are for a period of five years with special provisions for variation in terms of the agreement through consultations between the respective governments. The British-Indian treaty is terminable on six months notice. Special provisions applicable to specific commodities are included in the various pacts, apart from the general five-year clause, as for instance in the case of the agreement between Canada and Great Britain in regard to tobacco which is extended for a 10-year period under the new pact.

Canada May Consummate Other Pacts

In addition to the three "bi-lateral" agreements signed by Canada, negotiations were also opened for trade treaties between Canada and India; and between Canada and Newfoundland. Representatives of Australian and New Zealand governments are also remaining in Canada to discuss proposed adjustments in the treaties which each country made with Canada earlier this year.

In addition to the 12 trade treaties signed last week, the conference delved deeply into many important problems affecting the welfare of Empire countries as a whole. Such questions as Empire monetary and currency policy; Empire content; Empire standards; the Empire Marketing Board and other common problems were discussed and in many cases definite conclusions reached.

The highlights of the various pacts together with the results of the various deliberations on common Empire matters, are summarized below for The Financial Post readers. In all cases where a British preference in terms of shillings has been granted, a calculation has been made into Canadian dollars at the rate of $4 to the pound sterling.

Canada-United Kingdom Treaty

CANADA GETS FROM UNITED KINGDOM

(A) Certain concessions common to all Empire countries, as follows:

1. Continuance of the British Empire free list.

2. Free entry of eggs, poultry, butter, cheese and other milk products for at least three years. The extent of this preference is as follows:

Butter—15s. per cwt. (112 lbs.) or approximately three cents a pound at current exchange rates.

Cheese—15 per cent ad valorem.

Eggs (in shell)—from 1s. to 1s. 9d. per great hundred (10 dozen) according to grade. At current exchange this amounts to between two and 3.5 cents per dozen.

Condensed milk—whole sweetened, 5s. per cwt. (112 lbs.). Equivalent to about $1 at current exchange.

3. Wheat preference (when imported in the form of grain) of 2s. per quarter (8 bu.) equivalent to five cents a bushel.

4. Apples and pears (raw)—preference of 4s. 6d. per cwt. (112 lbs.) or 90 cents per cwt.

5. Apples (canned)—preference of 3s. 6d. or 70 cents per cwt.

6. Dried Fruits—preference of 10s. 6d. or $2.10 per cwt. (112 lbs.)

7. Copper—unwrought whether refined or not, in ingots bars, blocks, slabs, cakes and rods, two pence per lb. equivalent to 3.3 cents at $4 rate of exchange.

8.—Continuation of present preference on Empire raw tobacco of nearly 50 cents per pound for ten years, with stipulation that if duty on foreign unmanufactured tobacco falls below 50 cents (at par of exchange) the Empire margin shall be equal to the full foreign duty. Present foreign duty is roughly $2 with an Empire preference of about 50 cents a lb.

9. Promise from U. K. that measures will be taken to check dumping of foreign goods.

(B) Specific concessions common only to Canada, namely:

1. Continuation of the present 10 per cent duty on foreign lumber, fish, both fresh and sea; canned salmon, other canned fish, asbestos, zinc and lead, with Canadian products free.

2. Modification of restrictions against Canadian live cattle on agreed lines. This, it is estimated, will mean $3 more per head to the Canadian shipper.

3. Promise that in any regulations set up following report of commission now sitting on the reorganization of the U. K. pig industry, and affecting the quantative regulation of supplies of bacon and hams coming into that market, provision will be made for free entry of Canadian bacons and hams of good quality up to a maximum of 2,500,000 cwt. per annum. This is seven times the amount of Canada's exports of these commodities to U. K. this year.

CANADA GIVES TO UNITED KINGDOM

1. New or increased margins of preference on 220 items in the Canadian tariff. Many items which were subject to preferential rates transferred to the free list. These changes are understood to be in the iron and steel, textile, chemical, glass and other schedules, but details are withheld for the time being.

2. Protection against United Kingdom products to be given only those industries which "are reasonably assured opportunities for success.

3. United Kingdom producers to receive full opportunity of reasonable competition in Canadian markets.

4. Canada will appoint the tariff board, which will review tariffs on request of the United Kingdom.

5. Duties against United Kingdom products not to be increased except on report of the tariff board.

6. Existing surcharges on U. K. products to be abolished as soon as finances of Canada will permit.

7. Sympathetic consideration to be given to reducing and ultimately abolishing the exchange dumping duty.

8. Modification of regulations on the importation of pedigree stock from the United Kingdom.

Other Canadian Treaties

Canada-South Africa

The pact places commercial relations between the two countries on a trade treaty basis for the first time. Its details are not available but generally it is said to follow the principle of dealing with the main commodities only and is, therefore, in comparison with the trade agreements recently concluded with Australia and New Zealand, somewhat limited in scope.

It has, however, secured a considerable extension of the list of commodities on which preferences have hitherto been extended to Canada. Special consideration has been given by administrative regulation to the position of Indian corn or maize from South Africa and to motor cars from Canada.

It is subject to the approval of the parliaments of the respective dominions and is concluded for a period of five years and may be denounced, after the expiration of that period, by six months' notice.

Canada-S. Rhodesia

Imports into Canada of the principal products of Southern Rhodesia —tropical fruits and agricultural produce — are granted preferential treatment. In return, Southern Rhodesia will accord particularly favorable treatment to a selected list of Canadian products, while assuring on the great bulk of unenumerated articles rates not less favorable than are accorded to similar goods the produce of the United Kingdom.

The agreement is subject to the approval of the appropriate legislative authorities in the contracting countries. It is concluded for a period of five years and may be denounced after the expiration of that period by six months' notice.

Canada-Irish Free State

Under the terms of the treaty Canada agrees to grant to the Free State the same tariff preference which the United Kingdom will receive under its agreement with Canada. In return, the Free State undertakes to tax Canadian goods no more heavily than any other country.

Canada has a heavy favorable trade balance with the Free State. In the last fiscal year Canadian exports totalled $2,661,400, and imports from the Free State $45,500.

U.K. Pacts with Other Dominions

U. K.-Newfoundland

Increased preference in the United Kingdom on Newfoundland cod liver oil and chilled or frozen salmon, 10 per cent ad valorem preference on codfish and marine shell, and continuation of free entry of those goods listed in the Import Duties Act of 1932, feature this agreement.

Cod liver oil will have a preference of one shilling and four pence per gallon and chilled or frozen salmon one and a half pennies per pound.

In return, Newfoundland gives a preference normally 10 per cent ad valorem on a list of 61 items covering a wide range of United Kingdom products, the nature of which were not made public. The official summary added that five additional items of the Newfoundland tariff would come under a preference "of special importance to British colonies," but no details were given.

U. K.-Australia

Preferences in the United Kingdom market for Australian wheat, butter and cheese, fruits (including oranges and grape fruit, eggs, condensed milk,

(Continued on page 10)

TEXTILE GROUP AWAITING NEWS ON AGREEMENTS

No Details Available on Changes Proposed at Ottawa Meet

From Our Own Correspondent

MONTREAL. — Until the full list of tariff revisions agreed on at the Imperial Conference is made public, textile manufacturers must remain in the dark as to the effects which it may have on their operations. Though the position of certain commodities has been made clear, there remain 220 items on the Canadian tariff list in respect of which new or increased margins of preference will be granted by Canada to the United Kingdom.

Textiles are included in the unstated items. The proposed revisions are expected to be made public shortly before the convening of the next session of Parliament, for the House must put its stamp of approval on all agreements signed at the close of the Conference.

The only official statement made in regard to the changes to be made in the 220 items of the Canadian tariff is that revisions in the textile items related chiefly to linens and to the major classifications of cotton and woollen fabrics. Indications are that every effort will be made to introduce some system of complementary production. This would encourage imports of types of goods not manufacturer economically in this country while protection would be granted to those lines which the Canadian manufacturer is well able to produce.

Unlike the steel and iron industries, representatives of the Canadian and British textile industries were unable to reach any agreement before the opening of the Ottawa Conference. In the steel industry, much progress was made, and it is understood that the final decisions made in Ottawa were strongly influenced by agreements reached in pre-parley conferences.

Such was not the case with the textile men. No accord could be found in the demands of either side and the matter was at a deadlock as far as manufacturers were concerned, when it came up for discussion by the Imperial delegates.

Played Large Part

Undoubtedly textile tariffs played an important part in the Conference discussions. Throughout the proceedings at Ottawa representatives of the cotton and wool industries of the United Kingdom maintained a close contact with the British delegation. Canadian textile interests feel that the free trade interests of the United Kingdom centred their campaign upon textiles as representing a protected industry in Canada, and as the basis of the broad international trading policy for Great Britain as sponsored by those interests.

Representatives of the textile industry in the United Kingdom stood out strongly for a wide downward revision of the entire Canadian textile tariff schedules; how far Mr. Bennett has gone in the new agreement remains to be seen.

Textile Group Speaks

A possible investigation of the whole situation is foreseen by the Canadian cotton manufacturers who, in an official statement, say in part:

"The undertaking of the Canadian Government to review before the tariff board the duties charged on such commodities as are included in the tariff items affected by the agreement is taken to mean that the Canadian textile tariff schedules will once again come under intensive public review to determine the measure of 'equal competition' of British textiles in this market with domestic producers. The Canadian Government has not acceded to the British demand that the board should have mandatory powers. It would appear that Canada has retained her national prerogative in this connection, and it remians now to determine by what measures the board will undertake to investigate the efficiency of the Canadian textile manufacturing industries and the extent and nature of the competition of British goods in this market. The domestic textile industries have no reason to fear such an investigation, provided it is carried out with a comprehensive understanding of all the factors that are involved."

Canada Drafts Newfoundland Trade Treaty

Preferences in the Canadian market for her products, and the payment by Canada of $30,000 a year to assist the Cape Breton-to-Newfoundland ferry, are stated to be the main agreements which the Canadian Department of Trade and Commerce will write into the pact with Newfoundland at present being drafted.

It is understood that Canada and Newfoundland have reached a tentative understanding upon which the trade agreement between the two Dominions will be built up and while no specific preferences have been mentioned as yet they are expected to follow the preferences obtained by Newfoundland in the British market.

Protection has been promised on cod-liver oil and chilled salmon in the United Kingdom market and Newfoundland's fishery products will come in for consideration in the Canadian pact.

The ferry payment which is stated to be promised was formerly made by Canada, but has been discontinued during recent years.

Alberta Sheep Industry Gains

The sheep industry in Alberta is making excellent headway. A report issued by the Department of Lands and Mines shows that in the Calgary and Lethbridge districts alone there are now 140,000 sheep on grazing lands. The wool clip this year is expected to be considerably larger than ever in the past.

Monetary Policies Of Empire Nations Stated By Leaders

United Kingdom Sounds Note of Warning on Policies

CANADA IS FOR GOLD

Many Dominions Look to United Kingdom to Provide Lead For World

According to the statements presented by delegation leaders to the Currency and Finance Committee of the Imperial Economic Conference, all units of the Empire are agreed that a rise in wholesale prices is necessary before there can be any permanent return to prosperity and the majority of them favor the stabilization of currency in terms of gold at the earliest possible opportunity. Proposals put forward to achieve these reforms, however, were many and varied with Britain putting the damper on those delegations which clamored for definite action by stating that her opinion was that very little could be done that was not already being done.

The report of the Currency Committee, based on the evidence gathered from the heads of the various delegations, was presented to the conference more than a week ago and was practically in accord with the recommendations of the United Kingdom as set down by the Rt. Hon. Neville Chamberlain, Chancellor of the Exchequer.

Raise Price Level

No specific recommendations were incorporated in the report, although the need for a higher level of wholesale prices and abundant short-term money at low interest rates was stressed as essential to a general trade recovery. The general importance of exchange stability in order that Empire trade should not be hampered was also recognized.

Following are the views expressed by representatives of the various parts of the Empire before the committee:

United Kingdom Wary of Any Untried Remedies

While recognizing the profound importance of bringing about a rise in price levels, the United Kingdom opinion, as expressed by the Rt. Hon. Neville Chamberlain, Chancellor of the Exchequer, is that it is not desirable to embark on any rash experiments in currency policy as the central position of the United Kingdom and the widespread use of the sterling bill as an international medium of exchange make it imperative for her to proceed with great circumspection.

Britain's view is that any improvement in prices can only be brought about by a combination of actions applied from the various angles of politics, economics, finance and monetary control. As far as politics are concerned Britain feels that a move in the right direction has already begun and easier financial conditions will naturally follow the restoration of political confidence.

Mr. Chamberlain stressed the point that while he considered an international currency standard, preferably the gold standard, as essential to stable trade he could not see any prospects of a speedy return to the gold standard in the United Kingdom. Satisfactory monetary conditions have been established in London, he said, and the United Kingdom was doing, and would continue to do, its utmost to prevent wide fluctuations in the value of sterling.

It has been suggested that the United Kingdom could contribute more to a solution of the problem of how to raise prices than any other of those who are met here, Mr. Chamberlain said, but I feel that we have great limitations in that direction.

Bennett Stresses Need For Immediate Action

Elimination of monetary instability "would constitute one of the most important contributions which statesmanship could make to buttressing of our present economic and social system," Rt. Hon. R. B. Bennett, told the committee.

"We do not overlook either the difficulties or limitations of such monetary action," Mr. Bennett continued, "especially when invoked by only one nation or a few nations and at a time when public confidence is at an extremely low ebb. But we believe that the situation is grave enough to counsel against any unnecessary delay. Consequently we are hopeful that this conference will examine the role which money has played in the current depression, and explore the extent to which monetary weapons may be employed to promote immediate recovery and to safeguard us from future disasters of a similar kind."

"I have said enough," Mr. Bennett proceeded, after reviewing Canada's large stake in world trade, "to indicate the importance which Canada is bound to place upon the solution of the problems of price instability and of unstable exchanges. In particular we believe that it is imperatively necessary to put a stop to the persistent decline in commodity prices which it paralyzing private enterprise, choking off international trade, multiplying unemployment and social distress, and menacing the stability of our present social and economic order. We also believe it urgently desirable to encourage, in every way that can be accepted as sound and practicable, a rise in prices to a height more in keeping with the fixed or highly rigid cost elements in the existing economic structures of most countries. Moreover, we regard it as necessary to eliminate, as soon as possible, the wide and erratic fluctuations in exchange rates which are impeding the free flow of commerce and of capital between the nations, and which undermine and confuse the normal workings of tariff rates and tariff preferences.

"I am not proposing any specific remedy—indeed, I do not know how far it is possible to go in endeavoring to raise prices and to effect a stabilization of exchange rates. Personally, I cannot see how we can carry on business with the world at large unless there is some commodity or yardstick of universal

(Continued on page 10)

Half Empire Content Enough For Preference

Although rumors have been in circulation for some months that there was a possibility that the Imperial Conference would decide that for duty purposes automobiles would have to be manufactured with at least 75 per cent Empire produce to qualify under the preferential tariff, there has been no change in the former qualification.

Automobiles which contain at least 50 per cent Empire content qualify under preferential tariffs under the present ruling and manufacturers of most automobiles which are exported from Canada viewed with alarm the possibility of this being increased to 75 per cent. It is stated that, as the industry is at present constituted, most automobiles produced in Canada could not be made to include 75 per cent Empire produce.

FLOUR MILLERS WELL SATISFIED BY CONFERENCE

No Change in Regulations Affecting British Imports

From Our Own Correspondent

MONTREAL.—Shareholders of Canadian flour milling companies may be well pleased with the outcome of the Imperial Conference in so far as it touches the operations of their companies. No restrictions have been placed on the import of Canadian flour into the United Kingdom; at one time there was a fear that a quota might be discussed. As it is, free entry for Canadian flour appears to be assured and an export situation which at the moment is far from satisfactory, has been made no worse.

Exports in the past few years have shown heavy declines. British millers have been turning to cheaper wheat for their needs and competition from Canadian flour manufactured from high grade wheat has been excessively keen. Total exports of Canadian flour in 1931 amounted to 5,607,224 barrels or slightly less than half the figure reported in 1929.

Further Declines Noted

During the current year there have been further declines. On the basis of the crop year ending July 31 exports were 4,937,215 barrels in the 11 months ended June 30, which compared with 6,234,696 barrels exported in the same period of the previous year.

Milling companies, whose earnings quickly reflect a drop in export business, have found the past few years difficult ones. Profits have been small and it is easily seen that a change affecting imports into the United Kingdom would possibly have aggravated conditions.

Expresses Gratification

C. H. G. Short, general manager of Lake of the Woods Milling Co. and honorary president of the Canadian National Millers, Association, has expressed himself as gratified with the results of the Conference. While it is, in his opinion, a matter of intense satisfaction to the mill-industry that flour from Canada is still granted the right of free entry into the United Kingdom, he also feels that it is a matter of national importance since Canada's wheat interests are highly involved in the treatment which is accorded to Canadian flour.

Our entire staff is thoroughly experienced in the design and manufacture of manganese, carbon and other steel alloy castings for mining, quarrying, construction and general industrial use.

Listed below are some of the products which we are experienced in making.

POWER SHOVEL PARTS

BUCKETS	Back Filler Buckets	Dipper Racks	Dragline Pulling Brackets
Drag	Trencher Buckets	Dipper Hinges	Dragline Dump Sockets
Clam	Dipper Teeth	Dipper Bails	Clamshell Lips
Orange Peel	Clamshell Teeth	Dragline Lips	Clamshell Rope Sheaves
Conveyor	Dipper Fronts	Orange Peel Points	Grab Bucket Lips
Dredge	Dipper Lips	Dragline Fronts	Grab Bucket Rope Sheaves
Grab	Dipper Racks	Dragline Rope Sheaves	Grab Bucket Points
Dipper	Dipper Latch	Dragline Rope Sockets	Grousers

CRUSHING MACHINERY PARTS

Mantles	Diaphragm Liners	Discs	Breast Plates
Heads	Jaw Plates	Rolls and Screens	Chute Plates
Concaves	Cheek Plates	Roll Shells	Bottom Plates
Wearing Plates	Toggles and Bearings	Roll Segments	Rimmer Rings

PULVERIZER MACHINERY PARTS

Hammers	Grates	Breaker Segments	Rotary Crusher Parts
Heads	Paddles	Grate Bars	Revolving Screens
Liners	Breaker Plates	Screens	Beater Rolls
Discs	Pug Mill Knives	Dry Pan Parts	Mixer Parts

ASPHALT MIXER PARTS

Liners	Tips	Gates	Gate Protectors
Arms			

SHIP CASTINGS

Anchors	Fairleads	Stern Frames	Wildcats
Propellers	Bollards	Rudders	Engine Bases
Cleats	Deck Castings	Propeller Blades	Nigger Heads

DREDGE PARTS

Buckets	Drums	Disc Liners	Ladder Dredge Parts
Dippers	Racks	Pump Shells	Ladder Dredge Buckets
Cutter Heads	Pump Parts	Ball Joints	Ladder Dredge Tumblers
Cutter Blades	Morris Pump Parts	Dredge Bucket Pins	Grubbers
Deck Castings	Impellers	Dredge Bucket Bushings	Grubber Points
Dredge Pipes			

MINING MACHINERY WEARING PARTS

Kominuter Liners	Trunnions	Tractor Wheels	Apron Conveyors
Ball Mill Liners	Rope Sheaves	Truck Wheels	Apron Feeders
End Liners	Idlers	Hopper Liners	Chain Links
Tube Mill Liners	Skip Wheels	Spout Liners	Chain Attachments
Rod Mill Liners	Unloader Parts	Car Liners	Railroad Castings
Cams and Rollers	Mine Car Wheels	Ice Scrapers	Hydraulic Machinery Castings
Grate End Liners	Ore Unloader Wheels	Conveyor Parts	Industrial Car Castings
Feeders	Racks and Pinions	Flights	

MISCELLANEOUS CASTINGS

Crawler Links	Impact Blocks	Guard Rails	Paper Mill Castings
Tractor Links	Impact Cams	Frogs	Hydraulic Castings
Tractor Treads	Impact Screen Parts	Motor Truck Castings	Bridge Castings
Gears and Pinions	Dolly Wheels	Rolling Mill Castings	Track Work Castings
Sheaves	Locomotive Castings	Railroad Castings	Tractor Castings

Sorel Steel FOUNDRIES LIMITED

SOREL "Where the Richelieu meets the St. Lawrence" QUEBEC

360 Dorchester St. W., Montreal — 170 Bay Street, Toronto

NOTICE

Town of FORT ERIE

Sealed tenders — marked "Tenders for Debentures" will be received by the Clerk of the Town of Fort Erie, at Fort Erie North, Ontario, until 5 o'clock p.m., on Monday the 19th day of September, 1932, for issues as follows:

$161,692.84 — 15 year 6% Local Improvement Debentures

$48,867.69 — 30 year 6% Local Improvement Debentures

Lowest or any tender will not necessarily be accepted. Full particulars may be obtained from Treasurer's office.

Wm. C. Tait, Clerk,
Fort Erie North, Ontario.

International Proprietaries
Limited

NOTICE

Notice is hereby given that a quarterly dividend of sixty-five cents (65c) per share has been declared on the issued and outstanding Class "A" shares of this Company, payable on the fifteenth day of September, 1932, to shareholders of record at the close of business on the twenty-fifth day of August, 1932.

By order of the Board.

J. H. SPENCE,
Secretary.

Montreal, August 17th, 1932.

DIVIDEND NOTICES

DIVIDEND NUMBER 231

Hollinger Consolidated Gold Mines, Limited

A regular dividend of 1% has been declared on the Capital Stock of the Company, payable on the 8th day of September, 1932, on which date cheques will be mailed to shareholders of record at the close of business on the 25th day of August, 1932.

DATED the 18th day of August, 1932.

I. McIVOR,
Assistant-Treasurer.

The Dominion Bank

Notice is hereby given that a Dividend of two and one-half per cent upon the paid up Capital Stock of this Institution has been declared for the quarter ending 30th September, 1932, being at the rate of ten per cent per annum, and that the same will be payable at the Head Office of the Bank and its Branches on and after Saturday, the 1st day of October, 1932, to shareholders of record of the 20th September, 1932.

By Order of the Board,

C. A. Bogert,
General Manager.

Toronto, 18th August, 1932.

LAKE SHORE MINES, LIMITED
(No Personal Liability)

DIVIDEND No. 50

Notice is hereby given that a quarterly dividend of fifty per cent, on the issued capital stock of the Company, will be paid on the fifteenth day of September, 1932, to Shareholders of record at the close of business on the first day of September, 1932.

By order of the Board.

KIRKLAND SECURITIES, LIMITED,
Secretary.

Dated at Kirkland Lake, Ontario,
August 16th, 1932.

The Canadian Bank of Commerce

Dividend No. 182

Notice is hereby given that a dividend of Two and one-half per cent in Canadian funds on the paid-up capital stock of this Bank has been declared for the quarter ending 31st August, 1932, and that the same will be payable at the Bank and its Branches on and after Thursday, 1st September next, to shareholders of record at the close of business on the 31st day of July, 1932. The Transfer Books will not be closed.

By Order of the Board,

S. H. LOGAN
General Manager.

Toronto, 22nd July, 1932.

RELIANCE GRAIN COMPANY LIMITED

PREFERENCE DIVIDEND No. 19

NOTICE is hereby given that a dividend for the quarter ending August 31st, 1932, at the rate of 6½% per annum, will be paid on September 15th, 1932, to preference shareholders of record at the close of business on August 31st, 1932.

By order of the Board,

A. W. GIBB,
Secretary.

Winnipeg, August 2nd, 1932.

Canada Iron Foundries, Limited

DIVIDEND NOTICE

Notice is hereby given that a Dividend of 1½% on the Preferred Shares of this Company has been declared for the half year ended June 30th, 1932, payable September 15th, 1932, to holders of record August 31st, 1932.

By order of the Board.

M. S. GROGAN,
Secretary-Treasurer.

Dated at Montreal,
August 17th, 1932.

Dividend Notice

The British American Oil Company Limited

NOTICE is hereby given that the regular dividend of Twenty Cents (20c) per share has been declared on the issued No Par Value capital stock of the Company for the third quarter ending September 30th, 1932. The above dividend is payable, in Canadian funds, October 1st, 1932, to Shareholders of record at the close of business on the 14th day of September, 1932. Transfer Books will be closed from the 15th to the 30th of September, both days inclusive.

Share Warrant Holders will present Coupons Serial No. 10 to The Royal Bank of Canada, Toronto, Canada, on or after October 1st, 1932.

By Order of the Board.

P. W. BINNS,
Secretary.

Dated at Toronto, August 19th, 1932.

Imperial Tobacco Company of Canada Limited

DIVIDEND

NOTICE IS HEREBY GIVEN that an Interim Dividend (No. 99) of one and three-quarters per cent (1¾%) on the paid up Ordinary Shares of the Company has been declared payable on the 30th day of September, 1932, to Shareholders of record at the close of business on Wednesday, the 31st day of August, 1932.

That a Semi-Annual Dividend (No. 41) of three per cent (3%) Sterling on the paid up Preference Shares of the Company has been declared payable on the 30th day of September, 1932, to Shareholders of record at the close of business on Wednesday, the 31st day of August, 1932.

By Order of the Board.

F. P. L. LANE,
Secretary.

Montreal, Que., 19th August, 1932.

TWELVE NEW PACTS MAJOR RESULT OF EMPIRE MEET

(Continued from page 9)

honey and copper are included, similar to those accorded all Empire Dominions.

Appended to the agreement is a lengthy "declaration by the United Kingdom," dealing with frozen meats, one of the great export items from Australia. The present depressed wholesale prices for frozen meats are referred to, and the serious results to producer and consumer if these are not raised. Consequently the two delegations have agreed to a policy of regulation. The United Kingdom agrees to arrange for regulation of imports, and Australia undertakes to limit the export of foreign mutton and lamb to the United Kingdom next year to that of last. Australia agrees to do this on condition that the United Kingdom regulates the importation of meat in accordance with the terms of an "agreed programme." These terms have not been made public.

It is also agreed that the United Kingdom will arrange for regulation of bacon and ham supplies to that market. The United Kingdom undertakes to see that no restriction will be placed on meat from Australia during 1933.

Preferences which Australia grants the United Kingdom are not shown in the published agreement. "Increased preferences will be granted to the United Kingdom over a very wide range of commodities," according to the agreement, but details are withheld. Provision is made for the continuation, after November 15, of the exemption now granted to Australian goods from duties imposed under the Import Duties Act of the United Kingdom.

Under the terms of the agreement the 10 per cent preference granted to a list of Australian goods under the Import Duties Act is to continue without reduction. These include tallow, leather, canned meats, zinc, lead, barley, wheat flour and other commodities.

U. K.-S. Rhodesia

This agreement gives Rhodesia the same preferences as those granted Canada in food-stuffs that are produced in common. These include poultry and dairy products and copper.

Other food products of Southern Rhodesia to enjoy new preferences include maize, (flat, white) oranges and grapefruit.

Maize will have a 10 per cent ad valorem preference, oranges 3½ s. per cwt. from April 1 to Nov. 30, and grapefruit 5 s. per cwt. for the same period.

A 10 per cent ad valorem preference, now in existence on asbestos, ground nuts, kaffir corn and meal, and potatoes, will continue in effect indefinitely.

In return Southern Rhodesia will grant preferences to United Kingdom as follows: cutlery, excepting gold and silver, 20 per cent. ad valorem; electric batteries, radio sets and parts, typewriters and glassware except bottles and jars and window glass; 15 per cent ad valorem; other electrical material except cable or wire, 10 per cent ad valorem.

Preferences on motor cars and parts will be considered, the agreement states, "when the present advantage to exporters caused by the state of the exchanges has ceased."

Tea, coffee, cocoa and cigars, and rum and bitters from the non-self-governing colonies and protectorates, and the mandated territories of Tanganyika, the Cameroons and Togoland, will be granted preferences, two pence a pound on tea, a penny a pound on coffee, two shillings a pound on cigars and three shillings per imperial gallon on rum and bitters.

U. K.-South Africa

In addition to concessions made by U. K. to all Dominions, South Africa obtains by her new pact with that country, preferences on oranges, fruit, peaches and nectarines, plums, grapes, apples, pears, dried fruits, canned fruits, maize, condensed milk and copper. Wine, not exceeding 27 degrees of proof spirit will have a preference of two shillings per gallon.

The ten per cent ad valorem preference is safeguarded on a long schedule of materials including, wattle bark and canning extracts, maize products, asbestos, gray fish, fresh hake, oyster shell grit, box wood, potatoes, and ostrich feathers.

In return, the Union of South Africa will continue existing preferences and increase the preferential date on a number of items, mostly in iron and steel, and machinery classes. Minimum specific duties will be applied to certain cheaper classes of textiles on which the ad valorem preference is of little avail.

U. K.-New Zealand

In addition to concession granted all dominions and outlined in the first part of the Canada—U. K. pact above, New Zealand gains the following preferences in the U. K. market:

Unsweetened condensed milk, 6 s. per cwt. preference.

Milk powder, 6 s. per cwt. preference.

Honey, 7 s. per cwt.

Continuance of 10 per cent preference on tallow, canned meat, sausage casings, casein, meat extracts, dried peas, seeds (grass and clover), leather, copra, sugar of milk and gums.

An understanding on importation of frozen mutton, lamb and veal.

In return she extends to U. K. the following:

Exemption of all goods from surtax.

Increased preference on limited number of articles.

Promise not to reduce margin of preference below 20 per cent ad valorem.

Promise to reduce 3 per cent primage duty.

U. K.-India

A 10 per cent preference over foreign goods on a long list of Indian products is granted by the United Kingdom. In addition, the duties on certain foreign goods will be raised to higher levels. Thus, some preferences enjoyed by Indian goods will be correspondingly enhanced.

Chief commodities affected are Indian cotton manufactures, Indian carpets and rugs, jute manufactures, tanned hides and tanned skins, non-essential vegetable oils, sandalwood oil, oilseed cake and meal, rice, ground nuts, coffee, tobacco, tea, spices, castor-seed bran and pollards rice meal and dust teak and other hardwoods, pig lead magnesite, Indian granite and magnesium chloride.

Because of the importance of linseed to Indian agriculture, this commodity will enjoy a 10 per cent preference. Shellac, raw jute, myrafolams, broken rici, mica and Indian hemp will continue to be given free entry into the United Kingdom.

In return, India is giving a 7½ per cent preference on certain classes of motor vehicles. A ten per cent preference is granted on other articles. A provision in the agreement specifies that these preferences may be given either by increase of duties on foreign goods or by a decrease of duties on United Kingdom goods "or by a combination of both methods."

The ten per cent preference includes certain articles of food and drink, oils, miscellaneous manufactures and several classes of manufactured goods. Some iron and steel goods likewise get the 10 per cent preference.

Means by which the greater use of Indian cotton in the United Kingdom might be stimulated will be further discussed between the Indian delegates and representatives of the United Kingdom cotton trade.

The agreement is to continue in force until a date six months after notice of renunciation has been given by either party. This provision is in contrast to the five-year terms of the other pacts announced. Like all other agreements, the Indian-United Kingdom trade pact is subject to parliamentary approval.

Reports on Money and Currency

This report was made by one of the most important committees of the conference. It was published on Friday, Aug. 12. Subsequently on the last day of the conference, the individual opinions of the various delegations on monetary and currency problems were issued. These opinions are reviewed at length elsewhere in this paper.

The report declares that:

1. In the monetary sphere the primary line of action toward a rise in prices should be the creation and maintenance, within the limits of sound finance, of such conditions as will assist in the revival of enterprise and trade
2. Among these conditions are low rates of interest and an abundance of short-term money.
3. The rate of interest for all purposes should be kept as low as financial conditions permit.
4. Favorable monetary conditions must be achieved by an orderly monetary policy.
5. The conference recognizes the great importance of stabilty of exchange rates, but the complete solution of this problem must await the restoration of conditions for the satisfactory working of an international standard.
6. The ultimate aim of monetary policy should be the restoration of a satisfactory international monetary standard. The conference does not make any recommendation on the question of which is the most desirable standard.

The most positive declaration, perhaps, in the report, was that regarding wholesale prices.

"A rise throughout the world in the general levels of wholesale prices is in the highest degree desirable. The evil of falling prices must be attacked by government and individual action in all its causes, whether political, economic, financial or monetary.

"For dealing with the problem in its widest aspects, the governments represented at this conference record their conviction that international action is urgently necessary, and announce their desire to co-operate with other nations in any practicable measures for raising wholesale prices."

Report on Economic Co-operation

This committee which embraced a study of Empire standards, the Empire Marketing Board, an Empire "secretariat," film quotas and so forth was under the chairmanship of Sir Atul Chaterjee of the Indian delegation. Its report was published Thursday, August 18 and a feature of its conclusions was the reservations made by Irish Free State and South Africa to its recommendations made in regard to the formation of a general Empire economic committee.

Main features of the report include:

Economic Co-operation — That a committee of not more than two members from each commonwealth explore means of facilitating economic co-operation and to survey functions, organization and financial bases of existing agencies and to examine what changes if any in the existing machinery are available. This committee to report to the several governments not later than May, 1933, with a view to consideration by governments not later than September, 1933. South Africa and Irish Free State dissented from the recommendation.

Industrial Standardization — Detailed recommendations regarding the promotion of standardization within the Empire were adopted. An important and typical recommendation is the following:

"To promote intra-Empire trade in steel, timber, industrial chemical products, and replacement parts of agricultural implements and machinery, the parts of the Commonwealth affected should endeavor to take immediate steps to secure adoption of commercial standard specifications."

Grading and Standards of Agricultural Products—Recommendation of further Empire co-operation and specific recommendation that U. K. government legislate to require all wholesale trade in suitable commodities (e.g. eggs) to be conducted on basis of Commonwealth standards. Standardization of containers urged.

Industrial Co-operation — General recommendations made and specific recommendation in regard to radio and cinema within the Empire. In regard to the latter, the committee suggests that the encouragement of exhibition of Commonwealth films might be assisted, as well as revenue derived, by the imposition, in addition to the footage customs duties now in force, of a special levy upon the renting value of all foreign films displayed.

In the interests of the distribution of Commonwealth films, close contact is urged between Commonwealth producers and the censorship authorities in the different countries.

It is suggested that those Dominions which levy a duty on films should consider the possibility of admitting free a single positive of each Commonwealth film, under bond for exportation within thirty days in order to afford exhibitors an opportunity of viewing the film without the payment of duty upon those films which prove to be unsuitable for display.

ALDERDICE SAILS
Newfoundland Premier Is Aboard "New Northland"

Following his visit to Ottawa and Montreal, Premier F. C. Alderdice, of Newfoundland, accompanied by Mrs. Alderdice, sailed for Cornerbrook, Newfoundland, this week by the S. S. New Northland of the Clarke Steamship Company. Included in the premier's party were also Hon. L. E. Emerson, minister of justice for Newfoundland and Mrs. Emerson, and W. J. Carew, secretary to the Prime Minister.

The S. S. New Northland is bound for Newfoundland and Labrador with a full passenger list. This will be her last trip to the Labrador coast this year.

Activity in Montreal East

Montreal East is the scene of considerable industrial activity at present. Among other signs of progress, the La Salle Petroleum, Limited, (associated company of Joseph Elie, Limited) and the Shell Oil Company of Canada, Limited, are erecting refining plants, which, together, will involve expenditures of over $5,000,000.

Russia Not Mentioned In Final Embargo Clause

By Staff Editor

OTTAWA—One of the most crucial matters in the Imperial Conference was the matter of whether or not Great Britain would prove willing to place an embargo on the indiscriminate dumping of Russian goods into the U. K.

Prime Minister Bennett insisted from the first that some such action was essential for a successful treaty between Canada and U. K. and although the British refused successfully to definitely restrict dumping by automatic legislative devices and to single out Russia in the treaty, an undertaking was reached, nevertheless, which it is hoped will prove effective in aiding Canada against this powerful trade rival.

The specific wording of the clause in the Anglo-Canadian treaty, designed to prevent Russian dumping, is as follows:

"This agreement is made on the express condition that, if either Government is satisfied that any preferences hereby granted in respect of any particular class of commodities are likely to be frustrated in whole or in part by reason of the creation or maintenance directly or indirectly of prices for such class of commodities through state action on the part of any foreign country, that Government hereby declares that it will exercise the powers which it now has or will hereafter take to prohibit the entry from such foreign country directly or indirectly of such commodities into its country for such time as may be necessary to make effective and to maintain the preference hereby granted."

MONETARY POLICIES OF EMPIRE NATIONS STATED BY LEADERS

(Continued from page 9)

acceptance. I confess that gold seems to me to be the commodity which can perform this function most effectively, but others may disagree with me. In that connection I would call your attention to the fact that the British Empire produces about 80 per cent of the world's gold supply."

South Africa Stands Firm For Return to Gold Standard

Restoration of the gold standard as soon as practicable would have a settling effect on many people was the belief expressed by Hon. N. C. Havenga, leader of the South Africa delegation. He did not think that the invention of any other monetary standard was a question with which the conference could adequately deal as it was essentially a question for a world monetary conference.

"As a preliminary indication of our views we are, however, prepared to say first, that we consider that some commodity basis will be essential to an improved standard," said Mr. Havenga. "As long experience has proved gold to be the most satisfactory, we consider that any scheme for the inauguration of a better standard of value must necessarily be based on gold. Secondly, we consider that this a question in which the world must move with the greatest circumspection.

We agree with the leader of the United Kingdom delegation where he stated in his opening speech: "There are limits to what even a large group of countries can do to raise their own price level if the trend of prices in the outside world is persistently downward.

"What is wanted is an upward trend of the international price level, not an upward trend in the local price level, while world prices fall," Mr. Havenga declared.

"In the final analysis our only hope lies in sound currency, and the process of staving off economic adjustment by adjusting our currencies is merely a process of mortgaging the future, and therefore of delaying recovery."

Higher Wholesale Prices Necessary, Says Strakosch

The measures for economic co-operation in the money field must be regarded as no more than a preliminary stage to allevate the existing conditions and pave the way to the restoration of an international monetary, standard, declared Sir George Strakosch, speaking for India. He made a plea for immediate discussion and agreement if possible on the broad proposition that a rise in wholesale prices was necessary, and then an effort to find a means of achieving that end.

Britain Should Lead is Australia's Opinion

Great Britain is obviously best equipped to give a lead to both Empire and world nations in a movement toward higher prices, according to Rt. Hon. Stanley M. Bruce, head of the Australian delegation. Mr. Bruce declared that given such a lead he believed that France, the United States and other world nations would parallel Britain's action. A definite declaration of policy by the United Kingdom Government and the maturing of plans now on hand would have a tremendous effect, he declared, and would quite probably turn indecision into confidence and give strength to deep-seated forces already at work.

"The rise in sterling prices which will come from the action I have indicated will carry us toward a level increasingly consistent with a restored international standard," Mr. Bruce continued. "The dominant problem during the period of rising prices will be the appropriate parities between sterling and other currencies, including those of the Dominions. These will not be attained if they are sought in a spirit of strident economic nationalism. They can only be attained by careful management of the exchange rates."

Mr. Bruce then explained that currencies would have to be carefully managed either by central banks or by the setting up, in countries without central banks, of autonomous boards charged with the management of the exchanges.

Newfoundland Stresses Need For Higher Prices

Stabilization of international exchanges and an international rise in wholesale prices were the main things to strive for, according to Hon. F. C. Alderdice, Prime Minister of Newfoundland. Some part of the solution, he said, lies within the empire itself and it is our opinion that so long as sterling exchange maintains its present low level permanent improvement is not likely to be effected.

Elimination of the fluctuations in intra-Empire exchange rates was also stressed. Any such results, said Mr. Alderdice, would appear to depend upon the establishment of greater uniformity of policy upon important financial matters as between the different parts of the Empire. The formation of a permanent body to deal with this subject and bring the nations closer together was proposed.

British Prices Must Rise Says Coates of New Zealand

The only thing that could really relieve the present economic strain in New Zealand was a rise in British prices, Rt. Hon. J. G. Coates, spokesman for that Dominion, declared. New Zealand looked "to the financial wisdom of London to devise a means of achieving the desired object."

"It is realized that London is the foremost financial centre in the world and trades with the whole world and accordingly it is recognized that Great Britain must also consider the matter from an international standpoint," Mr. Coates said.

Irish Free State Lacks Money Problem With U.K.

No problem that need concern the conference of exchange instability exists between the United Kingdom and the Irish Free State, Sean T. O'Kelly, leader of the Free State delegation, told the Imperial Conference monetary committee. The Free State, however, was materially interested in the general problem, more especially in the case of some intra-Commonwealth exchanges.

"The delegates of the Irish Free State consider that the stabilization of exchanges between members of the Commonwealth could profitably be investigated at this conference, and that any progress made would be a valuable contribution toward the solution of the wider problems that may hereafter engage the attention of the proposed world monetary conference," said Mr. O'Kelly.

Ottawa Bars Soviet Deal: Two Firms Lose Orders

Reported Barter of Canadian Aluminum and Russian Oil Vigorously Denied — Ottawa Would Refuse Entry to Russia's Products

From Our Own Correspondent

MONTREAL. — Reports that Soviet Russia has placed a contract with the Aluminum Co. of Canada for $1,500,000 of aluminum in return for which Russia would pay in the form of crude oil are given little credence in well informed circles here; in fact it is definitely stated that no such contract will be approved by Ottawa which to date has frowned on all attempts by Canadian companies to establish trading relations with the Soviets.

About a year ago it was learned that Aluminum Co. of Canada had been approached by Amtorg (the Soviet buying organization in New York) with a view to buying a large quantity of aluminum. At that time it was proposed to pay gold for the aluminum on delivery. Owing to opposition from Ottawa the matter was allowed to drop.

A short while back the Soviets again approached the Aluminum company and a contract was reported to have been signed. This time it was stated that payment would be in the form of crude oil and further that McColl-Frontenac would purchase the crude for refining at its Montreal plant.

One of the larger rolling stock equipment manufacturers, which had been approached by Amtorg on more than one occasion, heard of this deal. Negotiations were reopened with Amtorg and it was proposed that the Soviets would purchase $3,500,000 of rolling stock equipment, payment to be on the same basis as that reported for the Aluminum company. Before closing the contract, Ottawa was asked if any restrictions would be placed in the way of this deal. The reply was emphatic and final—no Russian crude oil could be imported into Canada.

Though strenuous efforts are being made to conclude a deal with Amtorg for the supply of Canadian aluminum it is very much doubted if any such deal has been effected. Officials of the Aluminum Co. of Canada will not comment upon the situation, but from other responsible quarters The Financial Post is informed that Ottawa has not changed its attitude on Russian trading and that Soviet crude oil will not be allowed into this country.

LOWERY PETROLEUM REDUCES CAPITAL

Royalite Shares to Be Distributed to Lowery Shareholders

Shareholders of Lowery Petroleums are in receipt of notice calling a special general meeting in Toronto on August 31, 1932, to transact the redemption of the paid up capital of the company, represented by 500,000 no par value shares, issued and outstanding, from $2,000,000 to $750,000. This reduction to be effected by the distribution to shareholders of 10,000 shares of Royalite Oil Co. valued at $60,000 and the balance as a cancellation of $1,190,000 not represented by available assets.

The distribution of the 10,000 shares of Royalite Oil Co. will be on the basis of one Royalite for each 50 shares of Lowery Petroleum held. At a shareholders' meeting held July 11, 1932, approval was given to exchange 250,000 shares of Southern Lowery Oil stock for 10,000 fully paid Royalite Oil Company shares, which are now to be distributed to shareholders, pro rata.

Geological Report Issued Covering Matachewan Area

The Ontario Department of Mines has just published a comprehensive geological report on the Bannockburn and Tyrrell-Knight areas, Ontario. The report traces the history of mining and prospecting activities in these areas and gives comprehensive geological reports on the studies made by H. C. Rickaby and A. R. Graham, geologists of the Ontario Department of Mines.

The bulletin is illustrated with photographs and maps as well as separate geological maps covering the areas. The bulletin is available gratis from the Ontario Department of Mines.

Obituary

Bissell, Charles Raymond — Assistant manager and actuary of the Northern Life Assurance Co., died recently at London, Ont., at the age of 44. Mr. Bissell had been associated with the company almost continuously since 1905, having entered the services of the company as a junior clerk. He was a fellow of the Actuarial Society of America and an associate member of the American Institute of Actuaries.

Is your information up-to-date on Canada's magazines?

IF YOU are under the impression that Canada has any lack in the way of important magazines, or if your knowledge of the advertising situation is based on conditions of a few years ago—

Then it is time to bring your information up to date.

The fact is that, editorially, typographically, in circulation and in influence, the leading magazines of Canada compare favorably with those of any country in the world.

They have won their way in competition with magazines coming into Canada from both the United States and Great Britain. They are rapidly displacing the best of "foreign" magazines because their enterprise and high character appeal to Canada's pride in things that are purely Canadian.

With their enhanced prestige and influence Canada's magazines have become the national media to an extent not surpassed by the strongest groups of magazines in any other country.

With a net paid circulation totalling more than 780,000 copies each issue, the five magazines listed on this page now provide a coverage of better than every second urban home from coast to coast. Their circulation is more than two and one-half times what it was ten years ago. Their prestige and influence has been enhanced accordingly.

The use of these magazines is now giving scores of advertisers national publicity of a character and value which cannot be equalled through any other form of advertising at anywhere near the same low cost.

Much convincing data is available concerning the economies, results and other advantages of magazine advertising in this country. Your enquiry will be promptly met by any of the magazines listed below or by the office of the Magazine Publishers' Association.

In Canada the trend in advertising is toward the magazines

These five magazines are of uniform page size: all are ABC audited: and all are members of the Magazine Publishers Association of Canada; 204 Richmond St. W.; Toronto

Your Investments

Letters from subscribers to The Financial Post, who desire information bearing on their Canadian investments, will be answered by an early mail, and questions of general interest will be answered on this page. We cannot extend this service to non-subscribers nor do we answer enquiries relating to American stocks or foreign securities generally. A three-cent stamp or stamped envelope must be enclosed. Write mining and insurance enquiries on sheets separate from other investment enquiries. No answers can be given by telephone or telegram. We do not select lists of securities but will supply current facts about securities in a list you may supply. Nor do we attempt to make any forecasts of the probable trend of any security. The service, in other words, is one of fact and not of opinion.

Shawinigan

Have there been any new developments in connection with Shawinigan Water and Power Co. The stock seems to be very low, considering the past record of this organization. What are prospective earnings this year?

Shawinigan Water and Power Co.'s operations this year, have been affected by the depressed industrial conditions. Current expectations are that revenue for 1932 will be somewhat less than that reported in the preceding year. Preliminary estimates on income for 1932 show a net revenue equivalent to about $1 a share on the common stock.

Ottawa Traction

Would you be good enough to let me have an opinion on Ottawa Traction Co.? I hold some of the securities in this company and am in a position to continue to carry them.

Ottawa Traction is in much the same position as the other traction companies operating in this country. There have been a few local difficulties, but these have not been of major importance. There has been relatively little change in the income account of the operating subsidiary over the last three years. There may be a slight improvement this year, but it will hardly be of appreciable size.

B. A. Oil Common

How about B. A. Oil common stock as a buy for a hold? I can take some chance but I would like more than an even chance for advancing income and price.

British American Oil by steady aggressive expansion has improved its relative position in the oil industry in Canada to a large degree in the last decade, and even in 1931 showed an improvement in earnings. It has developed promising crude acreage in East Texas and Oklahoma and now is a fully integrated oil company in the oil business all the way from the well to the ultimate consumer.

Directors expect present dividend rates will continue unless something yet unforeseen should happen in 1932 or 1933. The element of uncertainty is the huge overproduction of crude oil in the United States especially, the consequent overproduction of gasoline and other products and the very low prices produced by these pressing on the markets. The effect of higher gasoline taxes on production in 1932 in the various provinces is yet to be shown. Apparently it is slowing up sales in some districts. By building more refinery capacity in Canada more competing crude will enter Canada in the next year and the effect of this on the price structure remains to be seen. B. A. Oil is well equipped for dealing with keen outside competition, however.

Earl Mansions

Can you give me any information regarding Earl Mansions, formerly Merrill Mansions, Earl St., Toronto? I have some stock but have had no dividends or information for a number of years although I have written them.

The names, "Merrill Corporation" and "Earl Mansions," no longer appear in The Toronto telephone book. Reorganization of the company occurred some years ago, and there were some more meetings in which shareholders criticized management and former control prevailing. Earl Mansions, Ltd., was organized in 1921 to build and operate an apartment house on the Merrill system in Toronto This was financed by a first mortgage and the sale of the company's stock. A second mortgage was later placed against the property. This was held as security for a bond issue bearing 6 per cent and maturing in 20 years. A dividend of 2 per cent was paid, covering a four months period. Later dividends had to be dropped and the situation some years ago with regard to control became somewhat precarious for the stockholders. The equity of shares in the property had pretty well faded out and the prospect of your shares attaining value apparently disappeared.

Guardian Realty

I own shares of Guardian Realty Co., of Canada Ltd. As I now reside in England I would like an expression of opinion as to the soundness of this investment as a hold. Any information regarding the financial standing, earning power, etc., of this company will be greatly appreciated.

Guardian Realty Co. of Canada, which has issued $1,000,000 of 7 per cent cumulative preference shares and 1,000,000 common shares was formed to own and operate the Royal Bank Building, Toronto. The Royal Bank of Canada leases the entire ground floor and the building itself occupies one of the most valuable sites in the City of Toronto, at the corner of King and Yonge Streets. At the time of issue it was stated that the mortgage or loan capital amounted to $1,645,000 and was secured upon the land valued at over $1,350,000 and on the building being erected.

The by-laws of the company provided that no bonds, debentures or debenture stock could be issued or any mortgage or other charge upon the real estate or building created for an amount in excess of the amount secured by the present encumbrances thereon except with the concurrence of holders of two-thirds of the preference shareholders convened for the express purpose of authorizing it. Preference shares, which you probably own, have equal voting rights at general meetings of the company with the common shares. They were sold with a bonus of 25 per cent of fully paid common shares. The building is 20 stories in height, thoroughly fireproof and modern and above the sixth story has light from all four sides. It is understood that the building is well rented.

National Debenture

I would like to get information concerning the various Stimson companies which failed in May, 1931, especially as affecting the National Debenture Corporation.

On a statement of affairs issued in 1931 by G. T. Clarkson, trustee, it was stated the corporation has claims on a property on University Avenue estimated at $750,000. How long will it take to clear up the matter?

With reference to the National Debenture Corp. in which you are specifically interested, the securities issued were as follows:

7½ per cent collateral trust debentures, $36,700, all of which were held by the public;

6 per cent debentures, various issues, $928,600, of which $628,600 were held by the public, $20,000 by G. A. Stimson & Co. Ltd., and $280,000 by Grand Central Markets, Ltd.;

100,000 shares of no par value of which 51,200 shares were held by the public and 48,170 shares by G. A. Stimson & Co. Ltd.

A statement by the custodian showed an equity of National Debenture Corp. of $6,958 over the par value of the collateral trust 5½ per cent debentures secured by deed of trust of Trust & Guarantee Co., Ltd., Other preferred claims reduced this to $137.

The company had in addition:

35,000 $10 par value shares of 7 per cent preferred stock of Grand Central Markets, now estimated to have no value;

$179,800 7 per cent debentures of Stimson's Building & Investment Co., now estimated to have no value;

Shares of and advances to Properties Holding Co., valued at $60,000.

St. Clair Realty Co., shares and advances, less mortgage, valued at $4,800;

St. Alban's Realty Co. Ltd., shares and advances, valued at $27,900; and

Land Development Co. shares and advances, valued at $2,000.

This makes a total of $94,700. There were also advances to Associated Development Co., and G. A. Stimson & Co. Ltd., which were valued at $99,887, and sundry assets which brought the total assets up to $210,830. There were against this direct liabilities of $941,996, and preferred liabilities of $137,000, making a nominal deficit to creditors of $731,303. Uncertainty prevails as to whether the company has or has not an interest in equities in property on University Avenue, Toronto, which equities are valued by officials of the company at $770,000. After debenture holders are looked after, there will be nothing for the shareholders on this showing and debenture holders will only get a portion of their money back. We cannot see that there is anything that can be done for the shareholders when the assets are not there.

As far as the University Avenue property is concerned, that was advertised for sale but no sale has yet occurred. That will be chiefly of interest to debenture holders.

Palace Pier

Please let me have your opinion, through your valuable column any information pertaining to Palace Pier Humber Bay, as an investment. I understand that these securities are being offered by Provincial Improvement Corp. Ltd.

Stock for the building of the Palace Pier has been sold for some years, but the pier has not been opened yet. We are informed by the company that this has been delayed through a dispute about the new highway coming into the city cutting off access to the property. That was settled and the company was given $50,000 as a result of arbitration proceedings The company hopes that funds on hand, funds expected from stock sold and $50,000 damages will enable it to complete the pier some time this year but as to that an early announcement is promised. There are no liabilities except to shareholders, The Financial Post is informed.

The stock is naturally an uncertain speculation and will not have marketability until actual operation of the building will show whether a profit can be made or not. It is hoped to open the building in time for the Christmas and New Year season.

Investors Syndicate

What do you know about the Investors Syndicate? I have been thinking of investing a large proportion of my salary with them. Would it be a safe investment?

They guarantee 5½ per cent compound interest.

With reference to the investment certificates of Investors Syndicate and its agreement to pay a stated sum at the end of 10 years which is equivalent to the payment of nearly 5½ per cent compound interest, you should note that you have to carry through an agreement to completion in ten years before the total amount would be obtained. If you were to abandon such a contract within a few years you would suffer a loss as the company only contracts to return you a portion of the money you actually pay if you drop payments in the first few years. In fact, you would not get the amount of money paid in unless you held for more than five years.

It has so far proved a satisfactory contract for those who have carried through their payments for ten years. One should buy these certificates only if he is satisfied that he can continue the payments through that period. In the present disorganized state of exchange, all the contracts being issued since November 1 are payable in Canadian money. As the company would lose by taking this to the United States it is evident that at present conditions favor the company investing it in Canada. Holders of old investment certificates have been claiming payment in United States funds on maturity.

Massey-Harris

I own a 5 per cent Massey-Harris bond for $1,000. If it is safe for a long hold I do not need to sell, but I would like to know something about present prospects. Have they improved any?

If you study the financial statement of Massey-Harris for the year ending November 30, 1931, you will note that, after writing off heavy reserves from the bills and accounts receivable and from the inventories, they still stand high enough in the balance sheet of the company to pay bonds twice over if the company were able to liquidate at prices shown The difficulty, however, is in this liquidation and no one at the moment can say if even at the prices shown there would be a ready sale. The prospects of the company are tied up intimately with those for agriculture and when the purchasing power of the farmer rises the position of the company will get better as well. No one knows how long that will take. Executives of the company rather expect agricultural products to rise in price before others do. They think the farmer will lead industry back and that his improvement in earnings will be reflected in industry. That may be considered, more a hope at present than an assurance, though prices have shown more liveliness of late The company has tried to stimulate sales and collection of accounts by offering a 10 per cent discount on payments made at once but greater improvement in farm prices is needed before the company's upward climb to profitable operation gets momentum.

Canadian Western

Re Canadian Western National Gas, Heat, Light and Power. In 1927 and again in 1928 I purchased at each time fifty shares of the preferred stock. I would like to have you advise what to do. Is the company in a strong position to go through the depression or has competition from Calgary Power and others become too active?

I cannot afford to take much greater loss and would appreciate very much your advice. Should I sell half or the whole amount at once or wait?

Monthly returns show greater sales to date in 1932 than in 1931 for Canadian Western Natural Gas, Heat, Light and Power Company, and this is a striking result when the state of general business in Western Canada is considered.

Some anxiety was felt earlier in the year because the holding company, Dominion Gas and Electric, is a subsidiary of American Commonwealth which is operating under receivership in the United States at the present time. This naturally causes a certain amount of unrest and uncertainty with regard to subsidiaries, but this company's progress is reassuring.

Reorganizations

I would like you to mention some of the more important Canadian industrial companies that have reorganized in the last three or four years. Where possible will you indicate the nature of the reorganization?

A large percentage of the more important Canadian industrial companies have reorganized their capital structure in some degree in the last three to five years. We may cite the following as examples:

British Empire Steel Corp., reorganized capital, name and management twice, and now is known as Dominion Steel & Coal Co.

Canada Power & Paper, representing a number of organizations and reorganizations in newsprint group and probably presenting the best recent example of attempts at amalgamation. Protective committee carrying it forward has reorganized it as Consolidated Paper Corp.

Asbestos Corp., after amalgamation many years ago has been showing increasing difficulties in last several years, and another reorganization has just been completed.

English Electric had a capital reorganization to some extent.

Massey-Harris had a capital reorganization involving changed control and management.

Canada Cement had a capital reorganization along with changed control.

Canada Bread had capital changes and changed administration though milling control continues.

Maple Leaf Milling had a reorganization of administration following near collapse as a result of unwise speculation by executives.

International Nickel had a reorganization of capital structure to permit of needed amalgamations and expansion.

B. C. Packers had a number of capital reorganizations in its history and last change represented a merger of importance of fishing and packing companies. Has had change of management in last year.

Beatty Bros. had a capital reorganization to let the public in as part owners.

Moore Corp. was organized to permit amalgamation, expansion and giving of new securities in place of old.

Blue Ribbon Corp. is the result of merger and expansion.

Consolidated Sand & Gravel reorganization represented merger and changed stock.

Consolidated Industries is a new holding company representing expansion and changed stock structure.

Weston Biscuit Corp. has had expansion by mergers and formation of new company and changed capital.

Hiram Walker-Gooderham & Worts, is the result of merger, changed capital and control.

Service Stations has expanded by merger and purchase.

Simpson's control changed through creation of new securities of holding company.

Brewing Corp. is a merger of many existing brewing companies under one holding company.

B. C. Power changed control and had capital reorganization.

Canadian Canners had a reorganization of unwieldy capital structure to present line-up.

Consolidated Bakeries is the result of amalgamation and recapitalization.

Dominion Motors is the changed name of Durant Motors when control came to Canada.

Union Gas had expansion by merger and purchase. It has changed capital.

Crooked Lot Pedlars Devise New Rackets

Plenty of Schemes for Robbing Investors by Selling Them Lots at Far Above Real Values—Advice of Reputable Realtors Should be Secured

Since the earliest days in history, real estate has proved a channel for the investment of funds. Before stocks or bonds were ever thought of, the real estate business was thriving. Man has always sought out property as a primary consideration in living; to own a piece of land is an instinct in civilized humanity.

The Doomsday Book, compiled in the time of William the Conqueror, shows clearly the ownership and extent of all property in England at that time. Though this is one of the earliest census on record, thousands of years before it men were buying and selling real estate. One can easily imagine that the earliest cliff dwellers bartered various goods for the right to inhabit a cave which had certain advantages over other hide-outs in a popular cliff.

Be that as it may, real estate in Canada, as in any new country, has come in for a wide share of attention in comparatively recent times. It has proved extremely profitable to some and extremely unprofitable to others. The real estate booms, well remembered by anyone in the West, are largely things of the past, but there always will be the desire to invest in land which may possibly show an enhancement in value.

Lot Pedlars Active

The purpose of this article is primarily designed as a warning against unscrupulous real estate operators. There are hundreds of excellent real estate firms in Canada which have done and are doing a legitimate business and providing a ready means of exchange among those desiring to buy property and those who have property to sell. But outside this legitimate and very necessary business, the pedlar of small lots for speculation is by no means extinct. In several parts of Canada today these agents are active, using various devices to attract the laggard or cautious investor to part with his hard-earned money. Consequently, it might be well to consult with a reputable real estate firm before making any commitments in the propositions put forward by some of these fly-by-night operators.

Strangely enough, quite a few of these have been more than active lately. Possibly their re-appearance may be attributed to the unpleasant slump in the stock market. Investors, bathing the sores which they have received in playing the market, are adverse to stock-selling schemes for the moment. They had witnessed a sharp decline in securities of undoubted value and possibly had declared they were through with the stock market.

Playing, no doubt, on this attitude, the unscrupulous real estate salesman comes forward. By no means invest in securities, says he. You only have to look at the market to see what good they will do you. He is sympathetic and bland and stresses the point that a plot of land at least gives one something tangible for his money. This is certainly true, but some properties are a doubtful asset in times of depression when taxes are high, and the real estate market is inactive.

Feed 'em and Fool 'em

Now follows the high pressure, delicately and literally disguised in the form of a picnic lunch. Here is the game as it was played in a case in a Canadian city recently. The prospect, a young lady, allowed her name to be included in a list of prospects to be submitted to one of half a dozen new real estate operators who were working on their scheme in the city. The young lady was first driven to the property, served with a tasty luncheon and subjected to a glowing discourse on psychology.

Replete with a good meal and fired with enthusiasm from what was probably quite a bright speech, the operators then started in to sell. She bought one lot. Then she bought a second lot from a salesman who interviewed her in her residence. A third lot was sold to her at the office where she worked. Apparently the last one was thrown on the market by the death of somebody and was offered to her at a great reduction.

These re-loading sales were consummated throughout with the usual high-pressure sales talk that an insurance company had bought the adjoining property or that the first two lots would be sold within a given time at a substantially higher price. A verbal guarantee was given that the third lot be resold at a profit of $500 at least within the next year.

Savings Gone; Income Committed

When they had finished, the young lady found she had lost all her savings and further, she had committed herself to monthly payments representing about 45 per cent of her income for the next nine years. She was foolish, you will say. True, but it is a warning which may well be remembered. She was not the only one; there were many other sheep led to a similar slaughter.

Actually, the transaction was quite in order and she undoubtedly was the proud possessor of three lots but it is doubtful whether they will prove exactly what she had originally hoped for them. The agreement of sale was an interesting document. The company retained the right to pass upon the type of house which was to be built, any fencing called for must be paid for by the purchaser, together with any levies and assessments for improvements. Finally, the agreement of sale could not be registered.

Some time ago when the racket was being worked in Montreal, the Better Business Bureau of Montreal was quick to detect what was going on. It sent out the following dispatch to its members and saved some people's money though it may have done them out of a good lunch:

"There is nothing illegal in the 'Lunch and Lecture' method of selling lots, providing it is not overdone. But the fact remains that most of these operators in Montreal are new to the city. There is no guarantee that they will be here next year or even next month. Bureau operators have been to the properties and watched the automobile loads of prospects driven up to the big tent and fed. First the master salesman makes an inspiring address. Then each prospect is turned over to a salesman and finally to a 'closer' in one of the smaller tents which are dotted over the property and where an attempt is made, before the effects of the generous lunch and talk are over, to get a signature on the dotted line.

"The prospects are secured in the first place by women house-to-house canvassers who are paid fifty cents for every party which they get to the property to have lunch.

"Members should particularly warn employees, who are in the market for real estate, to consult their bank manager, notary or a real estate agent who has a substantial record in Montreal."

Winning a Free Lot

That is one type of proposition: here is another. It generally goes in the form of a free lot, in which those speculatively inclined are given the opportunity of winning a free plot of land. Names are secured, a drawing takes place, and the lucky ones (most every one seems to be a winner) is notified of his or her good fortune. Women are generally the winners. One woman won a free lot in one of these gambles recently and was much elated. But trouble followed fast. First, she had to pay $49 to get the title deed effected. When she had done this, to her dismay she found that the lot was too small to accommodate a house, a predicament which she had not envisioned.

Accordingly the real estate operator kindly came to her assistance and was good enough to sell her an adjoining piece of land for $500. Now the woman has a plot of land big enough on which to build a house but she finds the land itself is quoted by a reputable real estate firm at around $150.

These instances may be taken as an indication that the rough and ready lot seller is still active. If you get an invitation to go to a lunch and lecture at a real estate development or allow your name to be placed in the hat for a free drawing for real estate, it might be well to remember that there are still some doubtful promotions under way and that a recognized real estate firm's advice would be well worth securing. These propositions may be perfectly valid but it is far better to get another opinion before making a definite commitment.

Business Bureau Alert

In the larger centres, Better Business Bureaus are usually alert to this sort of thing and take immediate steps to check up on the reputation of the agents. Some years ago citizens of Canada were offered an opportunity to participate in a real estate deal of a foreign nature. It was not the far-famed Florida development, but a lot selling proposition about 100 miles outside New York City.

Forerunners of the campaign opened up the attack with big guns. Volumes of sales literature of an impressive nature were issued to prospective salesmen. The scheme was to sell these lots at $500 apiece, payable in any way within ten years. An indication of the doubtful nature of the proposition was the fact that salesmen were told by the big shots that they could take anything in payment, even stock of practically worthless value. The main point was to get the prospects' name on the dotted line.

This is how fast the Montreal Better Business Bureau worked when the matter was brought to its attention. On a Friday, the operators arrived and advertised for salesmen. On the next Monday the Bureau wired its affiliation in New York whence came the promoters and on Tuesday a reply was received to the effect that the scheme was a high-pressure proposition which the post-office authorities were investigating.

On Wednesday a warning was issued in the Montreal papers and within 24 hours the promoters checked out of the hotel without leaving any trace of their destination. Evidently things had begun to look too hot for their liking. They had not done a dollar's worth of business.

But the fact remains that they might have induced several people to invest in their development if they had been able to get the selling campaign started. Such individuals know how to sell, none better, and they have an uncanny way of making a worthless proposition seem reputable. And what is worst of all, there always are some individuals who are ready to invest in such promotional schemes without investigating its true value.

Judicious Investment Has Value

Many of the richest men in the world have based a part of their wealth on judicious investment in real estate. Railway construction, town planning and general industrial expansion have brought a wide up-swing in property values in the past. Property worth but a few hundred dollars has sometimes been transferred into a small fortune almost overnight.

The unscrupulous lot pedlar has many such tales to tell but he will refrain from mentioning the fate of those unwary investors who made unwise commitments. Every man harbors an instinctive wish to own a piece of land but he should take the trouble to investigate thoroughly the merits of propositions put before him if he is going to follow one of the first rules of investment practice.

Larger Import of British Coal

Increasing quantities of British anthracite coal are being received in the Port of Montreal. During July the imports reached a total of 182,326 tons, a new monthly record representing daily unloadings of 5,882 tons. The amount is an increase of 72,000 tons over the same period last year. From the beginning of the navigation season in April to the end of July the receipts amounted to 529,753 tons, or an increase of 128,947 tons over the previous year. During the whole of 1931 the imports of British anthracite through Montreal amounted to 688,833 tons.

TRADE INCREASES WITH MANY LANDS

Six Months Figures Show Gain in Canada's Exports to 10 Countries

Canadian domestic exports to a number of countries have increased not only in volume but in value during the first six months of 1932, as compared with the same period of 1931.

These are, according to the records of the Dominion Bureau of Statistics:

Irish Free State from $1,226,643 to $1,507,720.

Australia from $1,958,098 to $3,265,779.

Czechoslovakia from $122,623 to $131,714.

St. Pierre and Miquelon from $3,205,023 to $3,838,484.

Portuguese Africa from $544,950 to $557,011.

Russia from $131,753 to $776,555.

San Domingo from $111,341 to $134,040.

Spain from $295,688 to $1,290,217.

Hawaii from $85,326 to $188,597.

Philippines from $89,540 to $213,384.

Imports from the following countries increased in the past six months as compared with the same period of 1931:

Bermuda from $45,199 to $131,603.

Barbados from $864,358 to $1,515,486.

British West Indies, except Jamaica, Trinidad and Tobago, from $477,245 to $862,179.

Cuba from $435,652 to $556,805.

Denmark from $64,834 to $81,338.

Egypt from $145,099 to $230,563.

St. Pierre and Miquelon from $34,050 to $59,071.

Hungary from $16,456 to $19,885.

Italy from $1,802,432 to $2,049,721.

Mexico from $723,316 to $897,516.

Dutch West Indies from $392,465 to $548,391.

Peru from $1,737,085 to $2,529,269.

Poland and Danzig from $42,340 to $53,138.

San Domingo from $85,370 to $100,969.

Spain from $600,454 to $666,449.

Philippines from $59,518 to $156,608.

New Land Broken in Alberta

According to a statement of the Department of Agriculture of the province of Alberta, 400,000 acres of new land were broken last year and are now under cultivation for the first time. The value of Alberta's farm production in 1931 is placed at approximately $147,000,000.

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Here Are Certain Buyers

"THE trouble, or one of the troubles today, is that those who would, can't and those who can, won't."

So said one of Canada's leading executives recently, and the statement contains truth—but not all the truth. Thousands of people who can, will. They have the ability to buy and they will buy if the advantage of buying is made clear.

HERE is where The Financial Post is of great value. Its readers are people with power to buy — people who need to buy — people with an ample margin over their needs.

Here is a huge group of manufacturers and directors buying carefully but confidently for industry. Never has this group checked so carefully as today. Comparatively small company expenditures are watched, but these expenditures are made when the making of them will help to produce a more saleable product or will lower costs.

Here is a group — these readers of The Financial Post — who buy largely for themselves — for their families. They buy a wide range of products, household goods, clothing, automobiles, travel, tobacco, as well as securities, insurance, banking, trust and professional services. Their desires and needs have been continually widened by new responsibilities, by travel, contacts and reading. They have the means to gratify these desires and needs.

YOU are looking for markets — places with buying power. Here is a great Canadian market — great buying power. It does not lie entirely in Halifax or Vancouver, in Montreal or St. John, in Winnipeg, Toronto, Calgary, Regina or Quebec. It lies in all these places. This great market is composed of the men at the head of affairs in every city, town and village of Canada and Newfoundland. It is these men that The Financial Post has gathered as its readers — gathered them through 25 years of giving the information these men need.

YOU sellers can tell of your products to these buyers at extremely low cost through the advertising columns of The Financial Post.

You agency men know and use The Financial Post largely now. Consider it for still other of your accounts.

The Financial Post readers can and will buy.

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Automobile Show at C.N.E. Holds Wide Appeal for Visitors

CROWDS VIEW MOTOR SHOW AT EXHIBITION

Building Which Houses Show is Finest of Its Kind

MANY ATTRACTIONS

Speed Plane and Auto Will Interest Thousands Who Attend This Year

While only one manufacturer has announced an entirely new group of models to be shown at the annual automotive show at the Canadian National Exhibition in Toronto, the show will remain as popular as ever with Exhibition patrons and it is expected that the usual million or so people will make their annual pilgrimage to the Automotive Building.

This fine structure, which stands at the eastern entrance of the Exhibition grounds, is not only a masterpiece of modern architecture but is in every way worthy of one of the foremost industries of this continent. It was designed throughout with one purpose, and one purpose only, namely to present under one roof the complete range of the nation's automobiles to the best advantage of the exhibitor and the greatest comfort of the would-be purchaser.

Complete Range

Here, for the two weeks commencing August 26, there will be shown automobiles of every size, shape and cost offered to the motoring public, from the smallest roadster to the largest and most luxurious limousine. Working models of automobiles, dissected to show the power unit and the latest innovations such as freewheeling, synchromesh transmission, floating power, automatic ride control, etc., will draw the mechanically minded among the visitors while everyone will be interested in the latest accessories which have been introduced as standard on this year's models.

In addition to the new models of the Willys Overland Co., which will be shown for the first time, many of the visitors will get their first close-up view of this year's models, particularly those which were not placed on the market until recently. In this group the new Fords, the Frontenac 6-85 and the Essex Terraplane will undoubtedly come in for particular scrutiny.

Schneider Cup Plane

Special attractions on the main floor which should prove particularly attractive to the patrons of the show will be the Schneider Cup plane which holds the world's air-speed record and the "Golden Arrow," the car in which the late Sir Henry Segrave established the world's record speed of over 231 miles per hour which stood until it was bettered by Sir Malcolm Campbell in the Blue Bird.

On the mezzanine floor will be found all the latest accessories from tires to turnbuckles. It is understood that arrangements are at present being made to exhibit Kaye Don's personal Rolls Royce which he brought from England and if these are completed this automobile will be placed on the mezzanine floor. Mr. Don's automobile is of particular interest to those intending to purchase accessories as it is reputed to be equipped very extensively in this regard.

Attractive Layout

Nowhere on the continent is the accommodation of the Automotive Building surpassed, its 130,000 square feet of floor space providing ample room for proper display of all the exhibitors. The interior of the building itself is particularly attractive and, viewed from the gallery, the mural decorations of the amphitheatre and the varied colors of the cars combine with the decoration of the stands to make a gay picture.

From the point of view of utility, this annual automobile show, which has been held for many years past at the exhibition, has been a distinct success both for the manufacturer and the public. While it is held at a time of the year when manufacturers have usually not completed their plans for the following year's models and the current models have mainly been exhibited already, yet the show provides the opportunity for prospective buyers to view all makes of cars under more favorable conditions than are possible under any other circumstances.

Not a small part of the usefulness of the show is that it comes at an opportune time for manufacturers and agents and different manufacturers to get together. The results of those meetings are beneficial to the industry and the public alike.

Canada Fourth As Auto Owner Census Reveals

Canada ranks fourth among all countries of the world in automobile ownership, according to a motor vehicle world census taken at the beginning of the year by the Bureau of Foreign and Domestic Commerce of the United States Department of Commerce. As at January 1, 1932, this census revealed a total of 1,186,960 automobiles in Canada, of which 1,009,343 were private passenger cars and 156,626 private trucks.

The United States was an easy leader with a total of 25,986,353 automobiles; France supplanted England in second place with 1,713,368 and England was third with 1,342,969 automobiles. Germany and Australia followed in that order. The least motorized regions covered by the census were Spitzbergen, which continues to own one truck; the Solomon Islands with 14 automobiles and Bermuda and Montserrat, each with 53.

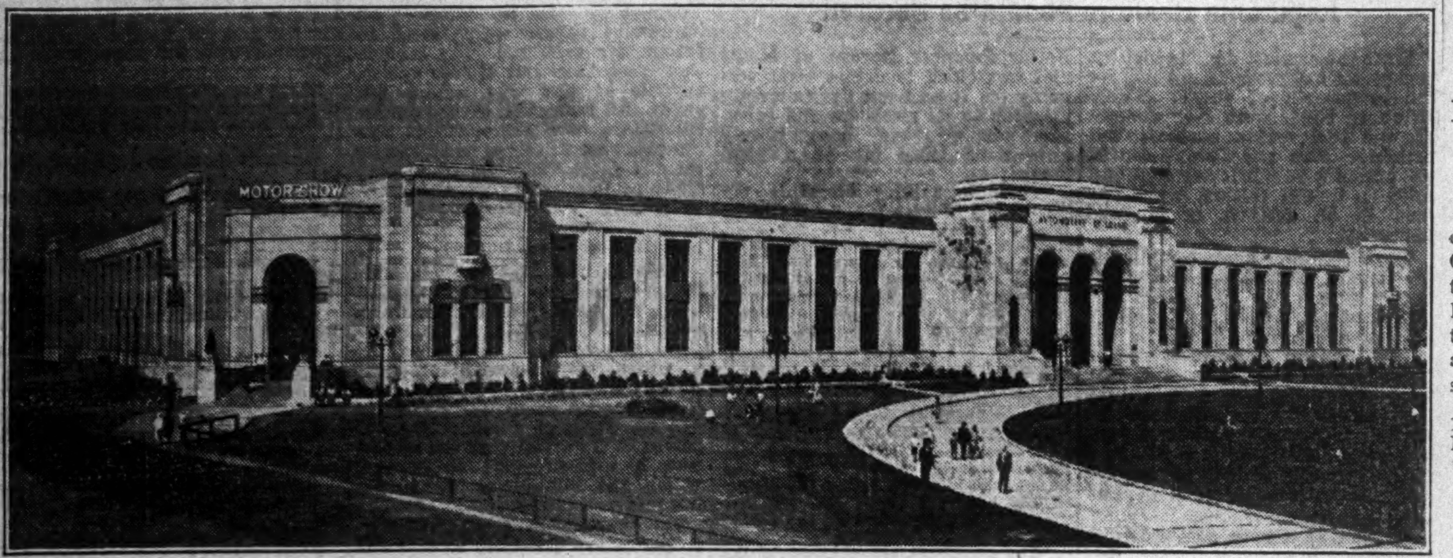
World Figures Decline

The census shows that world ownership of automobiles dropped to 35,263,397, a decline of 542,235, or 1.5 per cent from the preceding year. The figures reflect the impairment of world motor transport facilities by the continuation of adverse economic conditions, but they also stress the development of an unusual need of automobiles which should stimulate market activity when conditions improve materially.

Following is a comparison of the six leading countries:

	No. of Automobiles	Comparison with Jan. 1/31
United States	25,986,353	—711,045
France	1,713,368	+253,718
United Kingdom ..	1,570,173	+40,901
Canada	1,186,960	—37,138
Germany	672,633	—6,667
Australia	523,095	—40,562

C. N. E. Automobile Building Will Have Thousands of Visitors



The Canadian National Exhibition Automotive Building or Motor Show shown above is the finest display amphitheatre for automobiles in Canada and will be visited by about a million people during the national exhibition at Toronto which commenced on August 26. All the leading automobile manufacturers in Canada will be exhibitors at this mammoth show and in addition the Schneider Cup plane and the Golden Arrow will provide further attractions.

FLOATING POWER FEATURE FITTING CHRYSLER GROUP

Chrysler, De Soto, Plymouth and Dodge So Equipped

Foremost among the many features offered on the products of the Chrysler group is the new feature of vibrationless engine mounting known as floating power. This feature is exclusive to the members of the Chrysler group, namely Chrysler, De Soto, Dodge and Plymouth.

Automatic clutch mechanism is fitted as standard on all models of Chrysler except the six and on this line it is optional. This feature may also be had on De Soto models at a small extra cost.

A noticeably low appearance is achieved on the Chrysler models by a new double-drop feature built into the frame design, while added stability is obtained by girder truss construction. Another Chrysler feature, which was first introduced last year, is the Oilite squeak-proof springs. Between each leaf of the spring, an insert of Oilite metal is placed. This metal is stated to be 40 per cent oil by volume so that constant lubrication is provided.

De Soto Radiator Attractive

In addition to the floating power of the De Soto, the radiator design strikes a new note in automobiles, being rounded and domed instead of the usual V-section, the core being protected by a substantial horizontal grill. Pleasing lines have been obtained by elimination of the outside sun-visor and by treatment of fenders.

The low-priced Plymouth has proved an exceedingly popular car during the current year, sales in Eastern Canada being actually greater than in 1931, and the exhibit of models of this make will create interest at the show. Floating power is standard, the 4-cylinder power unit being mounted in such a manner as to be free to rock on its natural axis and so eliminates body vibration.

NEW TERRAPLANE BY HUDSON-ESSEX IS SHOW FEATURE

Radical Changes Evidenced in Instrument Board Treatment

The Hudson-Essex display at the show will be featured by the Essex "Terraplane," a new low-priced six-cylinder job which is Hudson-Essex latest addition to their line of automobiles. This car which was first placed on the Canadian market about a month ago has created a great deal of attention among the public by its distinctive appearance.

In the models displayed at the show the first thing which strikes the eye is their height, or rather lack of height, from the ground. This has been achieved without any sacrifice in head room. The lines of the car are particularly smart and are stated to have been designed to eliminate wind resistance from experience gained by airplane engineers.

Dash Board Features

Interior fittings strike a new note in automobile engineering and are a particular feature of the model. The instrument panel is straight in front of the driver and visible through the steering wheel. On the right of the instrument panel is a capacious glove and package panel, a feature present in most British cars but one which has been rather neglected on this side of the water. In place of the often disregarded oil pressure gauge is a red jewel tell-tale light and the ammeter also is replaced by a similar tell-tale which indicates when the charging rate is not sufficient.

There are 11 body types, consisting of a standard sedan, coach, 2-passenger coupé, 4-passenger coupé, special coach, special sedan, 2-passenger special coupé, roadsters and convertible coupés.

Complete Range of Ford Models Will Be Shown

Ford, the original leader in the low price field, will be represented at the show by a complete line of fours and eights which have proved so popular with the motoring public since they were first introduced about the middle of May.

Both the four and the eight present the same appearance, the only difference being in the engine while the difference in the delivered price, taken over the whole range, amounts to approximately $70.

Fourteen models are available, both in the four and the eight, with prices at Toronto with all shipment, license and sales tax paid, ranging from $617 to $864 for the four and from $692 to $940 for the eight.

Ford is one of the few automobile manufacturers which has not introduced freewheeling, but many modern improvements are incorporated in the new models.

GENERAL MOTORS SHOW FULL RANGE PASSENGER CARS

Models For Every Taste and Purse in Large Display

Automobiles for every need and every purse are presented by General Motors of Canada and their exhibit, ranging from the luxurious Cadillac V-16 limousine to the popular Chevrolet roadster, always commands the attention of show visitors.

Probably the most important 1932 improvement in all General Motors' products is that they are equipped with synchro-mesh transmission and controlled freewheeling. In the dearer price field, particularly, the new models incorporate practically all the modern improvements which have been introduced in the industry. Changes in body design are evident in all models and are particularly noticeable in the Cadillacs and La Salles.

In these two makes, a particularly graceful and sweeping streamline effect has been achieved by the treatment of fender and running board and the general external appearance is one of fleetness and power.

McLaughlin-Buick has always been one of the company's most popular lines and the straight eights on view at the Exhibition demonstrate the reasons for this popularity. The interior fittings in the special sedan bear comparison with any custom built job, improved upholstery, in colors harmonizing with the body finish, cigar lighter, clock and chrome plated interior hardware being some of the many refinements.

The Oldsmobile eight convertible coupé being exhibited is certain to come in for a good deal of scrutiny. Very pleasing body lines have been achieved in this model and these combine with a highly reliable power unit and modern engine and chassis refinements to produce an outstanding automobile.

Pontiac is represented by a coach for which economical performance is stressed. Motor efficiency and economy are furthered by many minor engine improvements.

Many mechanical improvements are evident in the Chevrolet range on show. An increase of 20 per cent in the horsepower gives higher speed than in any previous model with a top of from 65 to 70 miles per hour. All instruments have been brought into easy sight of the driver, particular attention being paid to the gas indicator and speedometer.

Highways Lead Motorists to Numerous Beauty Spots

Among the many changes in modern life, perhaps the greatest are those resulting from the development of the automobile as a means of transportation. From the chaise and stage-coach to the railway was a great advance, but greater was the advance from the railway to the automobile with its freedom of action and radius of travel limited only by the existence of roads.

Hence it results that regions of North America, formerly visited only by the explorer and adventurer, are now accessible to the private citizen. Innumerable views and beautiful country, hitherto known to the average citizen only by repute, are now within reach of the motorist. By means of the automobile he discovers sections of the country which are inaccessible by any other means of transportation without considerable inconvenience.

Canada's highways are planned and constructed on scientific principles and are intended to reach and maintain the standard of efficiency required for the modern vehicle. Since the passage of the Canada Highways Act, in 1919, many millions of dollars have been expended by the Dominion and Provincial Governments in the construction and improvement of highways, with the result that today the primary and secondary roads of Canada, adapted to the use of automobiles have a combined mileage of more than 394,000 miles and extend from the Atlantic to the Pacific without a break.

FLOATING POWER

(TRADEMARK)

... none can equal it

You can't blame competition for trying to imitate Floating Power. The phenomenal success that it has achieved in Plymouth, DeSoto, Dodge and Chrysler cars has proved it to be the outstanding engineering advancement of the last decade. Ever since its introduction, these cars have constantly improved their sales position in Canada. Owners of Floating Power cars are saying that any car without it is out-of-date.

But however hard they try, competitors haven't been able even to approximate the effects of Floating Power on engine performance. Only Plymouth, De Soto, Dodge and Chrysler have reached the goal of perfect smoothness.

Floating Power is an exclusive and patented engine mounting developed by Chrysler Motors engineers. The engine is supported at two points only and is permitted to oscillate freely on its own axis. The result is that it absorbs its own vibration. Not a trace of power tremor can reach the body of the car. Passengers can't even tell whether the engine is running.

Floating Power puts performance in a class by itself. There is no use trying to describe it because there is nothing in your experience that can be used as a basis of comparison. You have to experience it to appreciate the new thrills that driving brings. Once you have done so, you never will be satisfied with anything else. What you previously thought was a smooth performance will seem obsolete.

Any Plymouth, De Soto, Dodge or Chrysler dealer will gladly put a Floating Power car at your disposal. Try it. Put the car through its paces in traffic, on hills, on the open highway. Ask it to do things that no other car can do and see how easily and effortlessly it responds. Until you have driven behind Floating Power you can't know the best there is to know about motoring.

PLYMOUTH, DeSOTO, DODGE AND CHRYSLER cars have all-steel bodies, the safest, quietest and longest-lived type of construction ever designed. The parts of these bodies are fused and flash-welded into one solid piece. There is no wood to warp, no metal-to-metal contact. These all-steel bodies are mounted on a big, sturdy double-drop frame. Body and frame are integrated so that one lends strength to the other. The resulting low center of gravity abolishes sidesway and enables the car to take sharp curves at high speeds without danger or discomfort.

PLYMOUTH, DeSOTO, DODGE AND CHRYSLER cars are equipped with internal-expanding hydraulic brakes. This type of brake has been made standard on all Chrysler Motors products, from the lowest-priced to the most expensive, because experience has proved them the quickest, safest and most positive known. They are always self-equalized and are never in need of lubrication. They have no exposed parts to get out of order. Their new Centrifuse brake drums give them five times the wear of ordinary brakes. They are so constructed as to resist heat. They add to the joy of driving by giving you perfect control of your car.

PLYMOUTH, DeSOTO, DODGE AND CHRYSLER cars offer Free Wheeling and an Automatic Clutch. This great combination makes driving easier and simpler than ever before. There is virtually nothing for the left foot to do. The Automatic Clutch is *completely automatic.* It need not be touched in any phase of operation, even when reversing. Chrysler Motors Free Wheeling is of the perfected type, a separate unit behind the transmission. When free wheeling, both the motor and the gear box are disengaged. The car coasts on its own momentum without any other mechanical resistance than that of the wheels on the road.

CHRYSLER CORPORATION OF CANADA, LIMITED, WINDSOR, ONTARIO

Auto Manufacturers Have $90,000,000 Stake In Canadian Industry

Ranked Ninth in 1930 in Gross Value of Products

FOURTH IN 1929

Manufacturers View Future With Optimism; Look For Early Renewal of Activity

There is a tendency to regard the motor car industry in Canada as a dozen or so companies who employ a few thousand men and so dismiss the industry's claim to greatness. The true facts are that not only does it represent an investment of over $90 millions and ranked ninth among Canadian industries in 1930 with total production valued at over $100 millions but the production of parts and raw materials used in automobile manufacture provide employment for a host of men in numerous industries.

Nor do the employment benefits of the motor car stop there. Sister industries have sprung up at its bidding. To provide it with fuel and lubrication a score of oil companies have come into being, thousands of service stations have been erected and the motor car has been responsible for more highway building in the last thirty years than was accomplished in centuries previously. Practically all the employees in the oil industry and engaged in highway construction owe their livelihood to the automobile.

Tariff Shut Out U. S.

In 1930—the last year for which complete statistics are available—over sixteen separate factories were in operation belonging to eleven companies engaged in manufacturing and assembling cars in Canada. The number of plants has been greatly added to during the past two years and is at present at least twenty-five, the new plants being opened after tariff regulations made it almost impossible for United States manufacturers to ship complete cars into Canada.

Sales value at the plant of automobiles alone, amounted, in 1930, to nearly $92 millions, while the peak, which was established in 1929, was $163 millions. In that year the total production of the industry had a value of over $177 millions. Total of salaries and wages paid in 1930 was nearly $20 millions, while the cost of materials used amounted to $67 millions net. Exports in 1930 had a value of over $20 millions, while in 1929 they amounted to $47 millions.

These are big figures and serve to indicate the magnitude and value of the industry to Canada.

Many Different Makes

While figures for 1931 and 1932 will undoubtedly show a considerable falling off from those of the two previous years, the industry has actually grown during those years and at the present time there are more different makes of cars being manufactured and assembled in Canada than at any time in her history. Practically all the important United States manufacturers have established branch factories in the Dominion or come to an arrangement with other manufacturers to produce their automobiles for the Canadian field.

At the present time the following companies are actually manufacturing in Canada:

General Motors of Canada, Ltd., with plants at Oshawa, Regina and St. Catharines. Manufacturers of Cadillac, La Salle, McLaughlin-Buick, Oldsmobile, Pontiac and Chevrolet automobiles and Chevrolet and G. M. C. trucks.

Dominion Motors Limited, Leaside, Toronto. Manufacturers of Durant, Frontenac and Reo automobiles and Rugby and Reo trucks.

The Ford Motor Co. of Canada, Ltd., East Windsor, Ont. Manufacturers of Ford and Lincoln automobiles and Ford trucks.

Chrysler Corporation of Canada, Ltd., Windsor, Ont. Manufacturers of Chrysler, De Soto, Dodge and Plymouth automobiles, Dodge trucks and buses and Fargo trucks and motor coaches.

The Hudson Motor Car Co. of Canada, Ltd., Tilbury, Ont. Manufacturers of Hudson and Essex cars.

Statistics Indicate Replacement Delay

A calculation made by the Dominion Bureau of Statistics, based upon figures of the past six years, shows that the number of cars withdrawn from use each year amounted to about 7 per cent of the number of licenses issued in the preceding twelve months.

Applying this percentage it is estimated that the number of worn-out cars needing replacement in 1931 was 85,600. As only 78,720 new cars were placed on the roads there has apparently been a carryover of approximately 7,000 cars needing replacement which ordinarily would have been scrapped.

Packard Motor Car Co. of Canada, Windsor, Ont. Manufacturers of Packard automobiles.

Studebaker Corporation of Canada, Ltd., Walkerville, Ont. Manufacturers of Studebaker, Pierce-Arrow and Rockne automobiles and Studebaker trucks.

Willys-Overland, Ltd., Toronto, Ont. Manufacturers of Willys-Overland, Willys and Willys-Knight automobiles and Willys-Overland trucks.

Graham-Paige Motors (Canada) Ltd., Walkerville, Ont. Manufacturers of Graham-Paige automobiles.

Hupp Motor Car Co. of Canada, Windsor, Ont. Manufacturers of Hupmobile cars.

Capacity of 400,000 Cars

Total production of the industry during the past three years has shown a consistent falling off and figures of the total number of automobiles produced show that in 1929 the total was 262,625, in 1930 there were 153,372 produced and in the past year only 82,614. In order to produce the 1931 total, plants operated at only 21 per cent of capacity so the total capacity of plants as they were equipped in 1931 was approximately 400,000 vehicles.

Not only does the Canadian industry serve the domestic market but it is the manufacturing centre for a number of United States corporations dealing in the British Empire market. Under the Empire preferences automobiles produced in Canada, provided they contain at least 50 per cent Empire produce, enter most Empire countries under a preferential tariff agreement and United States firms were not slow to take advantage of this, to the benefit of Canada. Exports in 1929 numbered 93,853 vehicles, in 1930 the total was 43,495 and 12,633 were exported in 1931.

Optimistic of Future

Looking to the future, automobile manufacturers expect renewed activity in the industry in a short time, pointing out that replacement buying has been postponed for a much longer period than usual and that just as soon as world conditions give definite signs of improvement there will be a greater number of prospects for new cars than on any previous occasion.

Manufacturers point out that during the past few years of lower production the industry has not stood still by any means and revolutionary changes in engine and body design have made even comparatively recent models out of date. Such refinements as free-wheeling, synchromesh transmission, floating power, ride control, switch-key starter, dual ratio axle and others which have been introduced since 1930 provide such advances in design and construction as to provide a definite inducement for motor car owners to consider the purchase of a new automobile.

FRONTENAC HEADS DOMINION MOTORS' EXHIBITS AT SHOW

Durant and Reo Are Other Makes of This Firm

Interest in the display of Dominion Motors products at the show centres upon the Frontenac 6-85. The outstanding feature of this car is the advanced streamlining which has been emphasized by the elimination of all outside accessories even to the removal of the outside radiator cap. This cap is placed under the hood of the engine.

New mechanical features on this model include selective freewheeling, constant-mesh, silent-shift transmission and automatic ignition-key starter. Driving ease is assured by wide, deep seats and adjustable steering column.

Coupe Outstanding

Perhaps the outstanding model is the convertible coupe which features a collapsible hood which tucks away out of sight in a special well behind the seat. A low-slung body, sloping windshield and side mountings give this model a particularly speedy appearance combined with smartness.

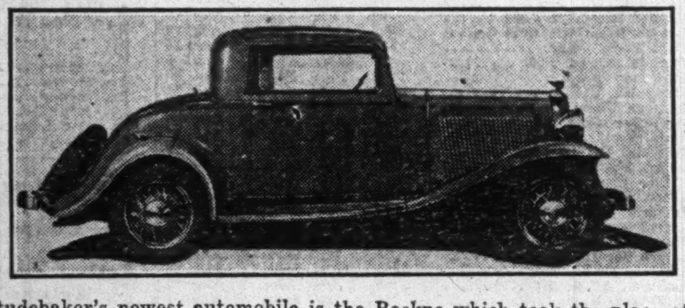
Following the trend introduced by the high priced cars of 1931, the radiator of the new car is of V-section with a domed top.

Dominion Motors also show Durant and Reo models in which are incorporated all the latest mechanical improvements. Sales of Durant took a jump in July of this year in Ontario and equalled last year's figures so interest is expected in these models at the show.

Frontenac 6-85

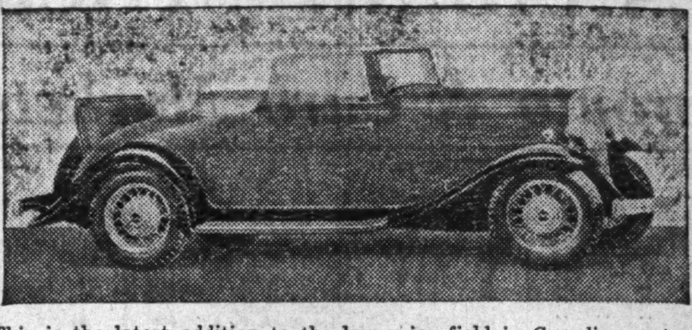
This convertible job by Dominion Motors features a completely collapsible top which fits into a special well behind the seat.

The Rockne Coupe



Studebaker's newest automobile is the Rockne which took the place of the Erskine in their line of models. The Rockne features the ignition-key starter system.

Terraplane Convertible



This is the latest addition to the low price field in Canadian motordom, the Essex Terraplane.

Truck Manufacturers Alive to Problems Faced By Operators

Research in This Field by Manufacturers is Fruitful—Models Designed to Meet Special Needs of Specific Users Worthy of Scrutiny

Truck operators and prospective users who visit the show will find much to interest them in the new models which are on display. Every type of truck and van from the lightest delivery unit to the heavy-duty dumping trucks will be displayed and manufacturers are confident that never at any time in automobile history was the commercial vehicle user better catered to.

Lower costs are the aim of all truck users and to reach this desirable objective an analysis is necessary of the particular factors which are peculiar to the specific situation. There are some large firms using horses for urban deliveries, for instance, who might well make a study of recent developments in modern motor truck construction which are designed to cope with this very problem. One manufacturer, for example, has brought out a specialized truck chassis which allows the operator all the freedom he would have in driving a horse and which has proved popular with dairies and ice cream dealers. This type of car also may provide the answer to the intra-city door to door delivery of parcels which is a department store problem.

More study is being given to the specific problems of truck users today than at any previous time and the result is that innovations are constantly being introduced into commercial vehicle construction which meet the wants of users. In some cases manufacturers have investigated individual business problems in detail so that they may provide them with the most efficient form of commercial transportation for their purpose.

Another great advance that has been made in the industry in recent years is in the dealer organization. Salesmen whose first thought in past years was to make a sale without regard to the needs of the prospect have now been trained and have a specialized knowledge of the problems which confront truck fleet owners.

One large manufacturer has built up an efficient sales organization and provides all its salesmen with a manual, carefully indexed, so that the salesman can answer almost every type of query which a prospect can ask and is able to recommend the model of truck which will meet the prospect's requirements. For instance, if a prospective customer desires a truck to carry coal of certain quantities, this manual tells how to translate cubic yards of coal into tons, or vice versa, what body styles are available for such a use, what type of tires should be supplied, what the operator's fuel consumption and costs should be, etc.

Manufacturers claim that this disinterested compilation of statistics of all phases of commercial motor vehicle transportation has made them better qualified to calculate trucking costs than even the largest operators. Certainly, information of this nature, which is available without charge, should be of great service to all prospective buyers and truck owners.

More variety is offered to prospective buyers this year than ever before, with large truck manufacturers entering the lighter fields and light truck specialists producing heavier vehicles and the resultant competition has been a large factor in improving the vehicles.

Hamilton Retail Trade Reached $68,000,000 in '30

Ontario Centre Has 2,005 Retail Stores and 727 Service Establishments, First Census Finds

Retail business in Hamilton in 1930 reached a volume of $68,000,000 transacted by 2,005 retail stores and 727 service establishments, according to preliminary figures released recently by the Dominion Bureau of Statistics. The retail stores employed 7,348 persons who received $7,637,300 as salaries and wages. Merchandise carried in stock at the end of the year was valued at $9,207,900.

Analyzed according to type of organization it was found that single store independents did 64 per cent of the city's total trade while sectional and national chains did a little over 21 per cent. In the grocery field, however, sectional and national chains did 55 per cent of the total business. The remainder of the business in retail grocery lines was handled almost equally between single store independents and single stores in co-operative buying organizations or two store "multiples." In the drug field, single store independents did 71 per cent of the total business.

Food Group Leads

The food group had the largest number of stores and the greatest amount of business. The 853 stores in this group reported sales of $15,795,000. In addition to the sales made by these stores, the bakeries and dairies which report to the Census of Industry had retail sales of $2,961,399. There were 1,563 employees in the food stores who received $1,212,800 in 1930.

In the general merchandise group (which includes department stores) there were 57 stores which reported a business of $11,107,800. The pay-roll for this group was $1,456,900 and the number of employees 1,696.

The automotive group was third in size on the basis of the amount of business handled. The 175 establishments in this field had sales of $8,768,500, of which 21 dealers in motor vehicles reported $5,102,400. There were 830 employees in automotive establishments and their salaries and wages totalled $1,129,500.

There were 225 stores in the apparel group, employing 742 persons and paying them $810,800 for the year. The sales in this group were $6,320,700.

The receipts reported for 131 establishments in the restaurant group were $3,343,600, the number of employees 560, and the pay-roll $457,900. In the lumber and building materials group there were 77 establishments, reporting sales of $3,647,100, salaries and wages of $495,300, and 351 employees.

Amusements Net $1,179,000

In the service field there were 727 establishments in Hamilton in 1930 and their receipts totalled $5,587,800. These service establishments employed 1,506 persons (including full-time and part-time employees and proprietors and firm members receiving a fixed salary) who received $1,704,300 as salaries and wages. The largest receipts were reported for the amusements group, in which movie houses and theatres had receipts of $1,179,300 out of a total of $1,381,000. The 41 establishments in the amusements group employed 273 employees in 1930 and paid them $349,400.

Figures for hotel operations were also secured in connection with this census. The 17 hotels in Hamilton reported 776 guest rooms, 272 employees, $236,214 as salaries and wages, and total receipts of $859,430.

Detailed figures follow:

SUMMARY OF PRINCIPAL RETAIL MERCHANDISING GROUPS IN HAMILTON

	Number of stores	Number* of employees	Salaries and wages $	Nett sales (1930) $	Stocks on hand, end of year (at cost) $
Automotive	175	830	1,129,500	8,768,500	657,300
Food	853	1,563	1,212,800	15,795,000	849,000
General merchandise	57	1,696	1,456,900	11,107,800	1,901,300
Apparel	225	742	810,800	6,320,700	1,686,600
Lumber	77	351	495,300	3,647,100	763,100
Furniture	38	191	284,400	1,573,300	382,400
Restaurant	131	560	457,900	3,343,600	132,100
All other stores	449	1,415	1,789,700	12,512,300	2,836,100
	2,005	7,348	7,637,300	‡63,068,300	9,207,900

*The number of employees includes those working both full time and part time and also proprietors and firm members receiving a fixed salary, therefore, the amount of salaries and wages represents the total wages bill. The figures given do not provide a basis for correctly computing average wages, average sales per employee, or rate of stock turn. In later reports the data will be presented in greater detail and more accurate computations may be made.

†Included in these figures is $286,100 which represents service receipts in merchandising establishments.

‡To these sales may be added $114,000 retail sales made by wholesalers in Hamilton.

SUMMARY OF PRINCIPAL SERVICE GROUPS IN HAMILTON

	No. of establishments	No.* of employees	Salaries and wages $	Receipts† (1930) $	Stocks on hand, end of year (at cost) $
Amusements	41	273	349,400	1,381,000	8,500
Cartage and storage	41	203	246,300	574,000	200
Domestic service	144	420	426,500	1,117,100	24,700
Personal services	229	193	162,400	579,800	7,300
Photography	20	45	38,100	172,100	32,900
Repair shops	194	157	170,900	655,900	36,200
Transportation	16	125	168,900	472,000	......
All other establishments	42	90	141,800	635,900	18,500
Total	727	1,506	1,704,300	5,587,800	128,300

*The number of employees includes those working both full time and part time and also proprietors and firm members receiving a fixed salary, therefore, the amount of salaries and wages represents the total wages bill. The figures given do not provide a basis for correctly computing average wages, average sales per employee, or rate of stock turn. In later reports the data will be presented in greater detail and more accurate computations may be made.

†Included in these figures is $111,000 which represents merchandise sales by service establishments.

Sees "Arm of Gold" In Labrador Assets

Newsprint Revenue Alone Would Double Present Annual Revenue of Newfoundland

Contributed by H. HERMAN ARCHIBALD

In the Labrador, Newfoundland has one of her greatest hopes and by far her greatest outstanding asset. Its one hundred million cords of pulpwood are waiting to be converted into useful products. Of newsprint paper it will make 70,000,000 tons or 1,000,000 tons per year for 70 years. In 70 years the lands will reproduce, so here is a supply of wood to maintain the manufacture of 1,000,000 tons of paper per year for all time.

Taking this at $30 per ton in direct returns in employment on the spot, it represents an industry of $30,000,000 to Newfoundland income per year.

The Gander project backed by the Hearst interests proposed a 1,500 ton mill to be built on the Gander River, representing one half the Labrador wood supply. It is not so far fetched that the balance might also be brought into development at an early date.

Newfoundland Mills at Capacity

When it is remembered that Newfoundland paper mills are working at 100 per cent continuously, it must be assumed that there are efficiency considerations that make for further development in spite of bad times.

It is accepted practice to cut pulpwood on distant areas and carry it to centres of population for manufacture, so consequently it is only natural that it be manufactured in Newfoundland. This was proposed in the Gander scheme which even to this day is far from dead.

On every reasonable basis it ought to be more feasible today than when first proposed as machinery and labor are at attractively low values.

Development of such a huge project will take several years to get into production when, it is reasonable to expect, world demand will be getting back to a new start upward.

The development of this Labrador wood then amounts to a direct addition to Newfoundland income of $30,000,000 per year.

Would Double Income

In 1926, almost a peak year for Newfoundland, the total net income from all industrial sources amounted to about $36,000,000, so that at one stroke its income can be nearly doubled. Considering the secondary effects, it will be seen that much of the demand created in this new income will be met from production in other fields of industry — foods, clothing and housing. It would be reasonable to figure on supplying nearly half of this demand, thus adding to the earnings of Newfoundland another $10,000,000 per year. The development of those forests would add several million dollars to the treasury in royalties, rentals and stumpage. Taking 20 per cent as a fair basis of taxation on net earnings, this development would also add to Newfoundland's treasury income 20 per cent on $40,000,000—$8,000,000 per year.

Here, then, is added net income to the people of $40,000,000 and added returns to the treasury of $10,000,000 to $12,000,000 per year.

Newfoundland's wealth in this small part of the Labrador is truly a very great item.

8,000,000 Horsepower

The Grand Falls on the Hamilton River is estimated to produce 1,000,000 h.p. The whole river is capable of tremendous power development, owing to its rapid decline and the large body of water. It is reckoned that quite 4,000,000 h.p. can be produced in addition to the 1,000,000 h.p. from the falls, making a total of 5,000,000 h.p. To this may conservatively be added 3,000,000 h.p. from other rivers south of the Hamilton, making a grand total of 8,000,000 h.p. with prospects of development within a reasonable period.

At a royalty of $1.00 per h.p. herein lies a real source of direct income to Newfoundland treasury.

The development of these possibilities will surely create many new industries as the years go by.

Of its actual wealth in minerals, very little is known beyond the fringe of this virgin expanse. Geologically, this country is not unlike Canada and Newfoundland. It is known to have extensive deposits of copper, iron, pyrites, molybdenum, mica and shell lime.

Its geographical position would lend hope to the idea that it is an extension of that great belt of minerals stretching across the north lands of Canada. What its mineral values might run into would be beyond any estimate at the moment; but it can fairly be expected that very considerable wealth will accrue from this branch.

Name Means Arm of Gold

The coastal waters of Labrador abound in cod fish and salmon. Although Newfoundland fishermen have frequented these shores for many years, there are none so bold as to assert that the wealth of its waters has been any more than sampled.

The name "Labrador" means "arm of gold." It is a veritable arm of gold awaiting the hand of industrialized science for its development and conversion into the gold of commerce.

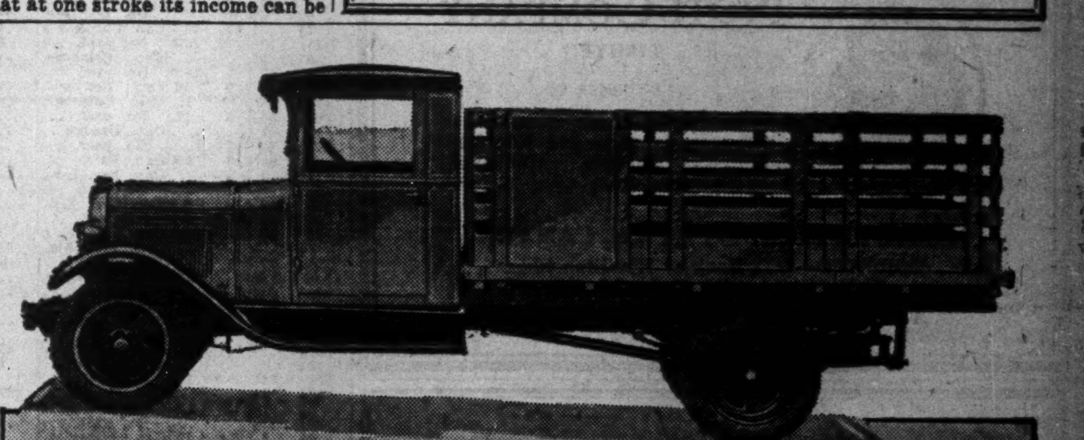
Newfoundland has in the Labrador a tremendous source of national income that must be considered in any survey of her future, and at this time of economic stress must be figured on before any decisions are made as to her standing.

New Official

J. B. Graham, president of Graham-Paige Motors (Canada) Ltd., has announced the appointment of Harry D. Dodge as managing director of the company, to have charge of plant operation at the Walkerville factory and of all sales activities in Canada.

Registrations Decrease For First Time in 1931

	Registrations			Revenue	
	Cars	Trucks	Total	From Registrations	From Gas Tax
P. E. Island	6,917	827	7,744	$ 135,698	$ 112,867
Nova Scotia	36,431	7,304	43,735	1,189,612	878,082
New Brunswick	29,233	4,467	33,780	877,554	696,481
Quebec	146,266	33,306	179,572	5,690,612	4,405,160
Ontario	489,718	74,111	563,824	5,795,308	10,810,914
Manitoba	64,940	10,624	75,564	1,020,559	1,094,700
Saskatchewan	91,846	16,717	108,563	1,613,979	1,810,147
Alberta	79,225	16,461	95,686	1,459,661	1,472,068
British Columbia	79,699	18,521	98,220	2,099,553	1,765,700
Yukon	125	73	198	2,372	....
	1,024,385	182,451	1,206,836	$19,684,908	$22,546,119



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GENERAL MOTORS TRUCKS

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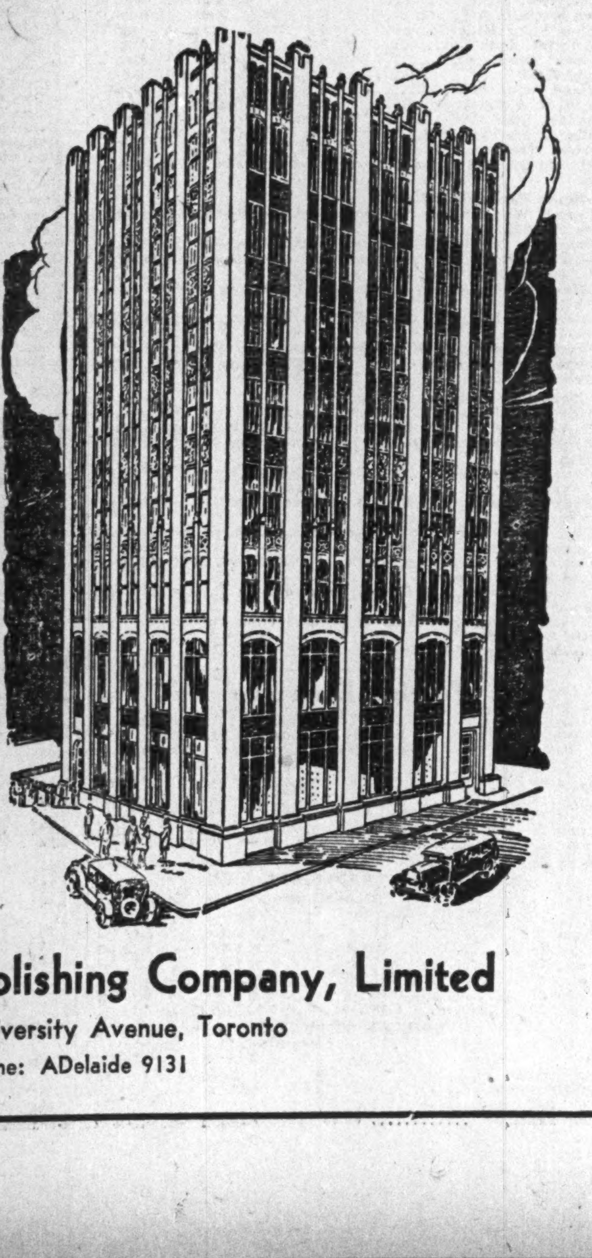

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Canada Iron Foundries Preferred Dividend Cut

Directors of Canada Iron Foundries Ltd. have reduced the annual dividend rate on the preferred stock to $3.00 per year with the declaration of a semi-annual dividend of $1.50 per share payable Sept. 15 to shareholders and directors August 31. No dividend was declared on the common stock, the dividend on which comes due at the same date.

Dividend on the preferred stock has been paid at the rate of $6 per year from 1929 to date while during the same period, dividends on the common stock amounted to $3 per year. In 1928, $5 was paid on preferred shares and from 1925 to 1927, $4 per share was paid.

Brazilian Earnings Not Available For July

Publication of operating results of Brazilian Traction, Light & Power Co. for the month of July will be delayed since details necessary to complete the July earnings statement have not been received by the head office of the company in Toronto.

Conditions in Brazil which recently resulted in revolution and warfare between various factions have made it difficult to secure the full figures.

Cattle Exports Increase

Cattle exports from Canada this year to date number 13,399 head which is 1,750 head in excess of last year's shipments up to the same date.

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WEEK'S CANADIAN STOCK AND BOND QUOTATIONS

Montreal, Toronto & Curb Markets

WEEK ENDING AUGUST 22

Range 1932 High	Low	Divd. Rate in $	Yield in % Aug. 20		Sales	Close Aug. 15 (or last)	Week Ending Aug. 22— High	Low	Close
3.25	.60	.	...	Abitibi	315	2.00	2.12	1.87	2.00
10	2	.	...	Do. pref.	....	4	..	..	..
x105	80	.	...	Do. pref.	....	..	..	..	..
80	80	7	...	Acme F. D'y, p	....	80	..	..	..
5	4½	.	...	Agnew Surp.	....	5	..	..	..
70	70	7	10	Do. pref.	....	70	..	..	..
7	3½	.	...	Alta. Pac. Gr.	50	7	6	6	6
37	19	.	...	Do. pref.	5	35	37	37	37
3½	1½	.	...	Amal. Electric	....	1½	..	..	..
11	9	.	...	Do. pref.	....	9	..	..	..
x3½	2½	.	...	Anglo. N. Hold.	....	..	..	..	..
.37	.15	.	...	Asbestos	....	.15	..	..	..
1.00	.60	.	...	Do. pref.	....	.60	..	..	..
6	4	60c	11.4	Assoc. Brew.	150	5¼	5¼	5	5
70	65	7	10.3	Do. pref.	....	68	..	..	..
3	3	.	...	Assoc. Can.	....	3	..	..	..
x69	65	.	...	Assoc. Tele.	....	..	..	..	..
30	16	.	...	Atlan. Sugar	....	20¾	..	..	..
120	92	.	...	Do. pref.	....	120	..	..	..
159¾	127	10	7.9	Bk. Can. Nat.	15	129	127	127	127
225	150	10	5	Bk. Montreal	66	196	199½	197	199½
274	238	14	5.3	Bk. N. Scotia	41	256	262	262	262
193	125	10	6	Bk. Toronto	10	162½	166	166	166
10½	10½	.	...	Barcelona	....	10½	..	..	..
3	1	.	...	Bathurst Pr.	90	1½	1½	1	1
1	½	.	...	Do. (B)	....	½	..	..	..
x26	26	.	...	Bawlf Grain	....	..	..	..	..
x25	20	.	...	Do. pref.	....	..	..	..	..
5	4	.	...	Beath & Sons	....	4	..	..	..
10½	3½	.	...	Beatty Bros. A	....	8	..	..	..
60	41	6	12	Do. pref.	1	50	50	50	50
3.50	.40	.	...	Beauharnois	2150	.90	.95	.85	.90
x93	55	7	...	Belding Cort.	....	..	..	..	..
70	65	7	10	Do. pref.	....	70	..	..	..
120	75	7	7.1	Bell Telephone	1133	95	100½	96	100
3½	2	.	...	Biltmore Hats	....	3½	..	..	..
50	50	7	...	Do. pref.	....	50	..	..	..
4	1½	.	...	Bissell, T. E.	....	1½	..	..	..
x97	88	.	...	Do. pref.	....	..	..	..	..
8	2	.	...	Blue Ribbon	....	2½	..	..	..
25	9	2	16.7	Do. pref.	95	12	12	12	12
20	17½	2	11.1	Brant. Cd. pf.	40	18	18	18	18
14¾	7½	2§	..	Brazilian Tr.	13364	10⅛	10¾	9¾	10½
.40	.40	.	...	Brew. & Distil.	....	.40	..	..	..
1	½	.	...	Brewing Corp.	....	1	..	..	..
3½	1	.	...	Do. pref.	16	1½	1½	1½	1½
11¼	8½	80c	7.8	Brit. Amer. Oil	1635	10¼	10¼	10	10¼
1.75	.60	.	...	B.C. Packers	560	1.37	1.57	1.50	1.50
6½	4	.	...	Do. pref.	....	4½	..	..	..
26	15	2	8.3	B.C. Power A	1162	21¼	25⅝	21¼	25¼

Range 1932 High	Low	Divd. Rate in $	Yield in % Aug. 20		Sales	Close Aug. 15 (or last)	Week Ending Aug. 22— High	Low	Close
97	90	7	7.7	Inter. Mill. pf.	....	90	..	..	..
77	77	6	7.8	Do. Series A.	....	77	..	..	..
11	4	.	...	Inter. Nickel	46205	9½	10	8⅞	10
4	4	.	...	Inter. Paints	....	4	..	..	..
b2½	⅞	.	...	Int. Pa & Pr A	300	2	2¼	2	2
b1	1	.	...	Do. (B)	....	1	..	..	..
b⅞	⅝	.	...	Do. (C)	....	⅝	..	..	..
b11	2¼	.	...	Do. pref.	....	2¼	..	..	..
12¾	9⅝	1	8.3	Inter. Pete.	2470	12¼	12¾	11⅞	12
x8	5	.	...	Inter. Power	....	..	..	..	..
x78	56½	.	...	Do. pref.	....	..	..	..	..
9⅞	2	.	...	Int. Util. (A)	....	4½	..	..	..
3	½	.	...	Do. (B)	80	2	2½	1⅞	2⅛
x40	40	1	...	Jam. Pub. Ser.	....	..	..	..	..
86	85	7	8.1	Do. pref.	....	85½	..	..	..
4	2½	.	...	Kelvinator	5	2½	2½	2½	2½
90	60	7	11.7	Do. pref.	....	60	..	..	..
7½	4	.	...	Lake of Woods	110	7½	7½	7	7
x101	82	.	...	Do. pref.	....	..	..	..	..
x140	140	8	...	Landed Bank.	....	..	..	..	..
39	28	3	8.1	Laura Secord	60	36	38	37	38
8	1½	.	...	Lindsay, C. W.	10	2	2½	2½	2½
60	36	6.50	18	Do. pref.	....	36	..	..	..
11¼	9	80c	7.1	Loblaw (A)	470	11¼	11⅜	11	11⅜
10¼	8	80c	7.8	Do. (B)	550	9⅝	10½	10	10½
‡2¾	2¾	.	...	Loew's, London	....	..	..	..	..
x25	19	.	...	MacKin. Steel.	....	..	..	..	..
x95	90	7	...	Do. pref.	....	..	..	..	..
7	6½	.	...	Manitoba Pr.	....	7	..	..	..
5	2	.	...	Maple Leaf	....	3	..	..	..
20½	8	.	...	Do. pref.	10	15	17	17	17
x38	30	.	...	Marcus Loew's	....	..	..	..	..
60	30	.	...	Do. pref.	....	30	..	..	..
5¾	2½	.	...	Massey-Harris	1035	4⅞	5	4⅜	4⅞
10½	7	60c	6.3	McColl Fron.	1159	9¾	10	9¼	9⅞
68	58	6	8.8	Do. pref.	35	60½	68	68	68
x45	35	.	...	Mexican L & P	....	..	..	..	..
‡25	25	.	...	Mercury Mills.	....	..	..	..	..
‡89	58½	.	...	Do. pref.	....	..	..	..	..
x40½	40	.	...	Mitchell, J. S.	....	..	..	..	..
105	105	7	6.7	Do. pref.	....	105	..	..	..
8	3	.	...	Mitchell, Robt.	....	5½	..	..	..
x1	1	.	...	Monarch Knit.	....	..	..	..	..
30	20	.	...	Do. pref.	....	20	..	..	..
75	50	6	12	Montreal Cot.	....	50	..	..	..
70	70	7	10	Do. pref.	....	70	..	..	..
2½	2½	.	...	Montreal Exhib.	....	2½	..	..	..
11	7	.	...	Mont. Is. Pr.	....	11	..	..	..
38	20½	1.50	4.4	Mont. L. & Pr.	9977	34	34⅝	34½	34
55¼	12	.	...	Simpson, Ltd.	5	16	18	18	18
x44½	36	.	...	Do. (A)	....	..	..	..	..
x35½	24½	.	...	Do. (B)	....	..	..	..	..
77	62	6	8.7	Simpson, R., p	....	69	..	..	..
25	10	1	6.1	So. Can. Pr.	....	16½	..	..	..
90	60	6	7.7	Do. pref.	5	77½	78	78	78
1.00	.45	.	...	St. Law. Corp.	50	.50	.50	.50	.50
4	1½	.	...	Do. (A)	515	1½	1½	1½	1½
12	9	.	...	St. Law. Flour	....	9	..	..	..
99½	70	7	7.2	Do. pref.	155	90	99½	90	99½
11	1⅜	.	...	St. Law. Pa. p	35	1⅜	5	5	5
3	1½	.	...	St. Pav. & Mat.	50	1½	1½	1½	1½
46	25	2	7.1	Do. pref.	....	28	..	..	..
5	4	50c	..	Stand. Chem.	....	4½	..	..	..
3½	1½	.	...	Stand. Steel	25	2½	2½	2½	2½
x35	30	3	...	Do. pref.	....	..	..	..	..
x1	1	.	...	Stanfords	....	..	..	..	..
24	10½	1.75	9.2	Steel of Can.	581	18½	19½	18½	19
29	20	1.75	6.7	Do. pref.	25	26½	26	25½	26
½	½	.	...	Sterling Coal	....	½	..	..	..
18½	9¾	1	5.8	Sup. Pete. ord.	315	16¾	17½	16½	17½
16½	16½	1	6.1	Do. com.	30	..	16½	16½	16½
98	90	7	7.6	Do. pref.	....	92½	..	..	..
42	35	.	...	Tamblyn	10	35	40	40	40
100½	95	7	7.4	Do. pref.	....	95	..	..	..
18	15	3.50	23.3	Thayers, pref.	....	15	..	..	..
7	3	.	...	Tip Top Tailors	....	3	..	..	..
67	50	7	14	Do. pref.	....	50	..	..	..
x22	10	.	...	Tooke Bros.	....	..	..	..	..
x67	48½	.	...	Do. pref.	....	..	..	..	..
18	7	.	...	Tor. Elevators	....	10	..	..	..
210	125	10	6.9	Tor. Gen. Tr.	27	147	147	145	145
92	85	6	6.5	Toronto Mtge.	....	92	..	..	..
x3	1	.	...	Traymore	....	..	..	..	..
x12½	7	.	...	Do. pref.	....	..	..	..	..
120	103	7	6.7	Tuckett Tob. p	5	105	105	105	105
5	2	.	...	Twin City	....	5	..	..	..
b24½	7	.	...	Do. pref.	....	..	..	..	..
37	23	.	...	Do. (notes)	....	23	..	..	..
5	1⅞	.	...	Union Gas	440	4½	5	4½	4½
100	100	5	5	Union Trust	....	100	..	..	..
x8	3	.	...	United Fuel	....	..	..	..	..
15	3	.	...	Do. pref.	....	8	..	..	..
24⅜	18	2	11.1	United Secs.	....	18	..	..	..
11	5	.	...	Viau Biscuit	....	6½	..	..	..
75	60	7	11.7	Do. pref.	....	60	..	..	..
12	4	.	...	Wabasso Cot.	50	8	10	10	10
8	2½	.	...	Walker-Good.	7506	6⅞	7⅜	6⅞	7½
12	9	1	10.1	Do. pref.	2030	9⅝	9⅞	9⅝	9⅞
3⅜	1	.	...	Waterloo Mfg.	40	2½	2½	2	2½
80	75	7	...	W. Koot. Pr. p	....	80	..	..	..
8	5½	.	...	West. C. Flour	25	5½	8	8	8
60	54	6.50	11.8	Do. pref.	....	55	..	..	..
11	10	.	...	West. Grocers	....	11	..	..	..
54	43	7	14.3	Do. pref.	....	49	..	..	..
x91	85	.	...	W. Steel Pr. p	....	..	..	..	..
18½	16½	1	5.9	Weston Bisc.	....	16½	..	..	..
70	65	7	10	Do. pref.	20	67	70	70	70
10	10	.	...	Windsor Hotel	....	10	..	..	..
38	18	.	...	Do. pref.	....	18	..	..	..
8	2	.	...	Winnipeg Elec.	495	3½	4	3½	3⅜
15	14	.	...	Do. pref.	20	15	15	15	15
x46	36	.	...	Woods Mfg. p.	....	..	..	..	..

x Quotations for 1931. No sales recorded in 1932 to date.
b New York Quotations.
‡ Quotations for 1930.
† Plus 30c. extra paid Jan. 2, 1932.
§ 2% stock dividend payable Sept. 1; 2% paid June 1; 25c cash paid Mar. 1, 1932.
* Minimum price is set, below which trading is not permitted for time being; Price Bros. com. 25; pref. 70.

Note re Unlisted Securities

Although The Financial Post strives to obtain the closest quotations possible on the unlisted stocks and bonds in the various tables on this page and the adjoining page, the quotations are not guaranteed and no responsibility is assumed in connection with them. In inactive markets, many quotations can be little more than nominal but it is felt that even a nominal quotation giving an idea of approximate price is better than none at all.

Winnipeg Stock Exchange

August 19, 1932

	Bid	Ask		Bid	Ask
Beaver Fire	..	95	N. Can. Mtge. pfd.	..	15
Beaver Lumb. pf.	..	74	North. Trust	..	..
Can. Amer. Tr. shs.	..	3	Un. Gr. Growers	11	..
City Dairy (Wpg.) pref. 7%	..	50	Traders' Bldg.	75	..
Do., pref. 8%	..	80	West. Breweries	1	2
Corp. Steel c.	..	5	Fund. Tr. shs. "A"	..	3¼
Cres.-Cream. pfd.	55	..	Do., "B"	..	3½
Home Inv. & Sav.	20	..	Grouped Inc. shs.	..	3.97

Unlisted Canadian Stocks

(Furnished by A. J. Pattison, Jr. & Co., Limited) Investment Bankers—Toronto
August 23, 1932

Industrial Stocks:	Bid	Asked
Acadia Sugar c.	.45	.85
Acadia Sugar pf.	5.00	8.00
Acme Farmers Dairy pfd.	61.00	68.00
Agnew Surpass pfd.	57.00	62.00
Allens Lond. pfd.	28.00	....
Allens Parkdale pfd.	35.00	....
Allens Toronto pfd.	35.00	....
Andian Nat. Corp.	21.50	25.25
Can. & Dom. Sugar c.	18.50	19.50
Can. Mach. c.	3.50	4.50
Can. Mach. pfd.	30.00	40.00
Can. Pack. c.	9.00	11.00
Can. Packers 7% pfd.	80.00	....
Can. Starch pfd.	62.50	68.00
Can. Tea pfd.	60.00	....
Can. Wire & Cable pfd. W.W.	70.00	72.50
Can. Industries com. "A"	65.00	70.00
Can. Industries com. "B"	60.00	65.00
Can. Industries 7% pfd.	100.50	104.00
Can. Westing.	35.00	....
Chase, A. W. Units	22.00	27.00
Claude Neon Gen. Adv. c.	1.25	3.00
Claude Neon Gen. Adv. Units	21.00	24.50
Crescent Creameries pfd.	40.00	....
Dodge Mfg. "B" c.	1.25	....
Dodge Mfg. "A" pfd.	5.25	....
Dom. Foundries & Steel c.	5.50	8.00
Dom. Foundries & Steel pfd.	68.50	74.00
Dom. Mfrs. pfd.	65.00	70.00
Dunlop Tire 7% pfd.	40.00	45.00
Eastern Car 6% pfd.	33.00	....
Eastern Dairies Ltd. pfd.	60.00	65.00
Edmonton Stockyards Units	....	52.00
Fed. Grain pfd.	24.00	28.00
Goderich Elevator & Transit	10.00	10.75
Greening Wire 7% pfd.	67.00	75.00
Guardian Realty pfd.	18.00	25.00
Guelph Carpet pfd. bonus com.	68.50	74.00
Inter City Bak. c.	40.00	42.75
Inter. Proprietaries "A"	24.75	25.75
Langleys pfd.	....	40.00
Loew's Lond. c.	.35	.50
Loew's Lond. pfd.	2.60	....
Massey-Harris pf.	14.75	15.75
Mount Royal Hotel c.	.55	1.10
Mount Royal Hotel 6% pfd.	5.50	6.75
Nat. Grocers c.	1.25	2.00
Nat. Grocers 2nd pfd.	33.00	38.50
Nat. Sewer Pipe "A"	18.50	....
Nat. Sewer Pipe com.	6.25	....
Neilson, Wm., c.	4.00	....
Price Bros., c.	4.00	....
Provincial Paper pfd.	31.00	41.00
Reliance Grain pf.	51.00	55.00
Rolland Paper pfd. W.W.	24.00	33.00
Standard Clay Products c.	20.50	27.50
Standard Fuel pfd. bonus	51.00	55.00
Supertest Petroleum "B" pfd.	15.50	20.00
Toronto Brick pf.	....	36.00
Toronto Carpet c.	....	93.50
Toronto Carpet 8% pfd.	....	88.00
Toronto Elevators 7% pfd.	69.00	72.00
Toronto Housing com.	20.50	30.00
Western Grain pfd. bonus c.	17.00	21.00
Willards Choc. pf.	....	21.50

Insurance Stocks:	Bid	Asked
Canada Life Ass.	310.00	....
Can. Nat. Fire	14.75	17.00
Can. Fire Ins.	65.00	68.50
Capital Life 20% pd.	11.00	16.00
Confederation Life	120.00	135.00
Continental Life 20% pd.	60.00	70.00
Crown Life Ins.	70.00	75.00
Dominion Fire	86.00	90.00
Dom. Life 80% pd.	230.00	285.00
Dom. of Can. Gen. Ins.	110.00	....
Empire Life	2.50	....
Excelsior Life 30% pd.	11.00	....
Fidelity Ins. of Canada	15.00	....
Great West Life	235.00	....
Guaranty Co. of N.A.	175.00	225.00
Halifax Fire	35.00	40.00
Imperial Life	200.00	....
Mfrs. Life	210.00	....
Monarch Life 25% pd.	6.00	....
National Life 25% pd.	19.00	....
North American Life	90.00	....
Saskatchewan Life 10% pd.	10.75	15.00
Sovereign Life 20% pd.	7.50	....
Sun Life Assur.	310.00	380.00
Western Assur. c.	14.50	17.50
Western Empire Life 20% pd.	8.30	12.00

Trust & Loan Stocks:	Bid	Asked
Br. Mtg. & Trust	145.00	154.00
Can. Gen. Investments Ltd.	2.75	3.25
Chartered Trust	62.00	72.00
Deb. & Sec. pfd.	....	36.00
Eastern Can. Sav. & Loan	106.00	115.00
Eastern Trust	125.00	150.00
Guelph & Ont. Inv. par $50	44.00	50.50
Investment Foundation Units	15.00	20.00
Lambton Loan & Savings	55.00	64.00
London & Western Trust	80.00	89.00
Mtg. Discount pfd.	2.00	3.00
Mutual Fin. pfd.	....	2.30
Mutual Fin. c.	....	2.30
Northern Trust	....	24.50
Premier Trust	81.50	88.00
Provincial Bank	98.00	103.00
Security Loan & Savings	95.00	100.00
Sherbrooke Trust	114.00	123.00
Sterling Trust	58.00	65.00
Traders Fin. c.	.85	1.50
Traders Fin. pf.	18.00	....
Trusts & Guar.	40.00	46.00
Victoria Trust & Savings	170.00	....
Waterloo Trust & Savings	100.00	110.00

Power Issues:	Bid	Asked
B.C. Elect. Pwr. & Gas pfd.	94.50	97.50
Calgary Pwr. pfd.	67.00	70.00
Can. Light & Power c.	14.00	20.00
Can. West. Nat. Gas LH&P c.	18.00	23.00
Can. West. Nat. Gas LH&P pfd.	67.00	70.50
Great Lakes Pwr. pfd.	....	65.00
Maritime Tel. & Tel. pfd.	9.75	11.00
Maritime Tel. & Tel. com.	8.75	10.00
N.B. Pwr. 1st pf.	....	50.00
N.B. Tel. c.	7.50	8.25
Ottawa LH&P pf.	78.00	....
N.S. L&P pfd.	59.50	....

Recent London Quotations:

Brewer Distillers	2s. 6d.
Can. & For. Sec.	5s.
Can. West Lumber	1s. 6d.
Hudson's Bay	20s.
Do., 5%	60s.
Internat. Holdings	$¼
Nfld. Pr. & Pap. deb. stock "B"	99½
Trust & Loan of Can.	1s. 9d.

Dividends Declared

	Annual rate	Amt. this payment	Date payable	Date of record
Agnew Surpass, pref.	7%	1¾%	Oct. 1	Sept. 15
Banque Can. Nationale	10%	2½%	Sept. 1	Aug. 15
Bank of Toronto	10%	2½%	Sept. 1	Aug. 15
Bank of Montreal	10%	2½%	Sept. 1	July 30
Bank of Nova Scotia	14%	3½%	Oct. 1	Sept. 15
Belding Corticelli, pref.	7%	1¾%	Sept. 15	Aug. 31
Bordens	$2	50c	Sept. 1	Aug. 15
Brazilian Tr., ord.	...	2% stk.	Sept. 1	July 30
Brit. Amer. Oil (coupon 10)	80c	20c	Oct. 1	Sept. 14
Can. Iron Found. pfd.	3%	1½%	Sept. 15	Aug. 31
Can. Vinegars	$1.60	40c	Sept. 1	Aug. 20
Candn. Gen. Electric	$4	$1	Oct. 1	Sept. 15
Do., pref.	7%	1¾%	Oct. 1	Sept. 15
Can. Wire & Cable pref.	6½%	1⅝%	Sept. 15	Aug. 31
Canadian Car c.	60c	15c	Aug. 30	Aug. 15
Can. Hydro-Electric, pfd.	6%	1½%	Sept. 1	Aug. 1
Can. Northern Pr.	80c	20c	Oct. 25	Sept. 30
Do., pref.	7%	1¾%	Oct. 15	Sept. 30
Can. Pacific Ry. pf.	4%	2%	Oct. 1	Sept. 1
Can. Silk Products "A"	$1.50	37½c	Aug. 31	Aug. 15
Can. Bank of Commerce	10%	2½%	Sept 1	July 31
Canadian Oil, pref.	$8	$2	Oct. 1	Sept. 20
Canada Bread, "B" pfd.	$2	50c	Sept. 1	Aug. 15
Crow's Nest Pass Coal Co.	*$4	$1	Sept. 1	Aug. 10
Can. Perm. Mtge.	$12	$3	Oct. 1	Sept. 15
Canada Starch, pfd.	$7	$3.50	Aug. 15	Aug. 8
Dominion Bank	10%	2½%	Oct. 1	Sept. 20
Dominion Bridge	$2	50c	Nov. 15	Oct. 31
Eastern Theatres, com.	$2	50c	Sept. 1	July 31
Hollinger Gold Mines	65c	5c	Sept. 8	Aug. 25
Hamilton Un. Theatres, pfd.	7%	1¾%	Sept. 30	Aug. 31
Imperial Oil (coupon 34)	50c	12½c	Sept. 1	Aug. 15
Inter. Milling pref.	7%	1¾%	Sept. 1	Aug. 20
Do., pref. "A"	6%	1½%	Sept. 1	Aug. 20
Inter. Petroleum (coupon 34)	$1	25c	Sept. 15	Aug. 31
Imperial Tobacco, ord.	35c	8¾c	Sept. 30	Aug. 31
Do., pref.	6%	3%	Sept. 30	Aug. 31
Lake Shore Mines	$2	50c	Sept. 15	Sept. 1
Laura Secord	$3	75c	Sept. 1	Aug. 15
Lindsay, C. W., pfd.	6½%	1⅝%	Sept. 15	Aug. 15
Loblaw "A" & "B"	80c	20c	Sept. 1	Aug. 12
McIntyre Mines	$1	25c	Sept. 1	Aug. 2
Do., extra	...	12½c	Sept. 1	Aug. 2
McColl Frontenac, c.	60c	15c	Sept. 15	Aug. 15
Montreal Loan & Mtge.	12%	3%	Sept. 15	Aug. 31
National Steel Car	80c	20c	Oct. 1	Sept. 20
Northern Ont. Power	$2	50c	Oct. 25	Sept. 30
Do., pref.	6%	1½%	Oct. 25	Sept. 30
Nova Scotia L. & P. pfd.	6%	1½%	Sept. 1	Aug. 16
Ogilvie Flour Mills Co., pref.	7%	1¾%	Sept. 1	Aug. 2[illegible]
Provincial Bank	9%	2¼%	Sept. 1	Aug. [illegible]
Reliance Grain pfd.	6½%	1⅝%	Sept. 15	Aug. [illegible]
Royal Bank	10%	2½%	Sept. 1	July [illegible]
Rolland Paper, pfd.	6%	1½%	Sept. 1	Aug. [illegible]
Simon, H. & Sons, pref.	7%	1¾%	Sept. 1	Aug. [illegible]
Standard Steel "A" pfd.	$3	75c	Oct. 1	Sept. [illegible]
Walker-Gooderham, pfd.	$1	25c	Sept. 15	Aug. [illegible]
Western Trust	$2	$1	Aug. 1	July [illegible]

*Increased from annual rate of $3 with payment of $1 Sept. 1932.

Dividends Passed or Deferred:

Canada Wire & Cable "A," com. Sept. 15, passed. Last paid [illegible] June 15, 1932.

Canadian Pacific Railway, semi-annual common, due Oct. 1, 1932, deferred until full year's earnings are known. Last payment 31¼c. on quarterly basis, April 1, 1932.

Windsor Hotel Ltd, 6½% pref., Sept. 1, deferred. Last paid 81¼c June 1, 1932.

Aluminum Ltd., 6% pref., Sept. 1, deferred. Last paid 75c. June 1, 1932.

Photo Engravers, Sept. 1, deferred. Last paid 50c June 1, 1932.

Canada Iron Foundries, com., Sept. 15, passed. Last paid $1.50 March 15, 1932.

Dividend Rate Reduced:

Bordens c. 50c. Sept. 1. Reduced from $3 to $2 per annum.

Royal Bank 2½% Sept. 1. Reduced from 12% to 10% per annum.

Bank of Montreal 2½% Sept. 1. Reduced from 12% to 10% per annum.

Bank of Nova Scotia, 3½% Oct. 1. Reduced from 16% to 14% per annum.

Bank of Toronto 2½% Sept. 1. Reduced from 12% to 10% per annum.

Can. Bank of Commerce 2½% Sept. 1. Reduced from 12% to 10% per annum.

Canada Iron Foundries, pref., 1½% Sept. 15. Reduced from 6% to 3% per annum.

Dominion Bank, 2½% Oct. 1. Reduced from 12% to 10% per annum.

Western Trust c. $1 Aug. 1. Reduced from $1.50.

Extra Dividends:

McIntyre Mines 12½c Sept. 1.

Foreign Exchange

	New York Funds High (Premium) %	Low (Premium) %	Last Year High (Premium) %	Low (Premium) %
August 17	15	14 7-8	41-128	5-16
August 18	15	14 7-8	5-16	19-64
August 19	14 7-8	14 1-2	21-64	5-16
August 20	14 11-16	14 9-16	21-64	5-16
August 22	14 5-8	14 1-8	41-128	5-16
August 23	14 1-4	13 1-2	5-16	9-32

STERLING, FRANCS AND LIRE
(Close Demand in New York)

	Sterling	Francs	Lire
August 17	3.47 1-2	3.91 7-8	5.12 1-4
August 18	3.47 1-4	3.92 1-8	5.12 1-2
August 19	3.46 5-8	3.92 1-8	5.12 3-8
August 20	3.46 7-8	3.92 1-8	5.12 1-2
August 22	3.46 1-8	3.92 3-16	5.12 1-8
August 23	3.46 1-4	3.92 1-16	5.12

FOREIGN EXCHANGE
(Close Demand in Toronto)

Par		Aug. 9	Aug. 16	Aug. 23
5.26	Italian	5.87¾	5.88¾	5.82¾
23.80	German	27.36½	27.38	27.03
13.90	Belgian	15.93	15.96	15.78
49.80	Japanese	30.48	28.29½	26.40

Active Unlisted Bonds

(Furnished by A. J. Pattison, Jr. & Co., Limited) Investment Bankers, Toronto
August 23, 1932

Industrial Bonds:	Bid	Asked
Abitibi P. & P. 5% 1953	25.00	[illegible]
Acadia Sugar 6% 1946	[illegible]	[illegible]
Alta. Pac. Grain 6% 1946	[illegible]	[illegible]
American Sales Book 6% 1939	101.00	[illegible]
Arnold Bros. 6% 1947	[illegible]	[illegible]
B. A. Oil 5% 1945	[illegible]	[illegible]
Brandram Henderson 6% 1939	[illegible]	[illegible]
Canada Bread 6% 1941	[illegible]	[illegible]
Canada Cement 5½% 1947	[illegible]	[illegible]
Can. Machinery 6% 1941	[illegible]	[illegible]
Canada Biscuit 6% 1946	[illegible]	[illegible]
Can. Bakeries 6½% 1945	[illegible]	[illegible]
Can. Canners 6% 1950	[illegible]	[illegible]
Can. Copper Refin. 6% 1945	[illegible]	[illegible]
Can. Cottons 5% 1940	[illegible]	[illegible]
Can. Vickers 6% 1947	[illegible]	[illegible]
Cosmos Imp. Mills 6½% 1944	[illegible]	[illegible]
Davies, Wm. 6% 1947	[illegible]	[illegible]
Debenture & Sec. 4% 1936	[illegible]	[illegible]
Dom. Manufacturers 6% 1948	[illegible]	[illegible]
Dom. Tar & Chemical 6% 1951	[illegible]	[illegible]
Dom. Telegraph 6½% 1978 "A"	[illegible]	[illegible]
Donnacona Paper 5½% 1956	[illegible]	[illegible]
Eastern Car 6% 1952	[illegible]	[illegible]
Famous Players 6% 1948	[illegible]	[illegible]
Firestone Tire 7% 1937	[illegible]	[illegible]
Fraser Co. 6% 1950	[illegible]	[illegible]
Goodyear Cotton 6% 1949	[illegible]	[illegible]
Great Lakes Paper 6% 1950	[illegible]	[illegible]
Gypsum, Lime & Alab. 5½% 1948	[illegible]	[illegible]
Howard Smith 5½% 1953	[illegible]	[illegible]
Loew's Toronto 6% (Serial)	[illegible]	[illegible]
London Realty 6½% 1949	[illegible]	[illegible]
Maple Leaf Milling 5½% 1949	[illegible]	[illegible]
Massey Harris 5% 1947	[illegible]	[illegible]
McColl Frontenac 6% 1949	[illegible]	[illegible]
McKinnon Industries 6% 1948	[illegible]	[illegible]
Metropolitan Bldg. 7% 1944	[illegible]	[illegible]
Mont. Drydock 5% 1949	[illegible]	[illegible]
Nor. Mexico Power 7% 1933	[illegible]	[illegible]
Ont. Steel Products 6% 1943	[illegible]	[illegible]
Rolland Paper 5½% 1948	58.00	....
Simpsons Ltd. 5½% 1949	57.00	60.00
Simpsons Ltd., 6% 1949	61.50	64.50
Standard Clay Prod. 6% 1942	70.00	78.00
Steel of Canada 6% 1940	100.00	103.50
United Grain Growers 5% 1948	75.00	....
United Grain Growers 5½% 1949	78.00	....
Western Grain 6% 1949	68.00	....
Public Utility Bonds:		
Bell Telephone 5% 1955	108.00	112.00
B. C. Power 5% 1960	82.75	85.75
B. C. Power 5½% 1960	90.00	94.00
B. C. Telephone 5% 1960	91.00	94.00
Calgary Power 5% 1960	83.00	87.00
Can. Northern Pwr. 5% 1953	78.00	82.00
Duke Price Power 6% 1966	71.00	76.00
Elec. Develop. 5% 1933	112.00	....
French Natl. Mail SS 6/52	116.00	....
Gatineau Pwr. 5% 1956	83.00	....
Gatineau Pwr. 6% 1941 Apr. 1	66.00	68.50
MacLaren Quebec 5½% 1961	74.25	77.50
Manitoba Power 5½% 1951	62.00	68.00
Montreal Isl. Pwr. 5½% 1957	92.00	....
Montreal LH&P 5% 1951	106.00	109.00
Montreal LH&P 5% 1970	104.50	106.50
Montreal Tram. 5% 1941 July	96.50	98.50
Montreal Tram. 5% 1955	83.00	86.00
Northwest. Utilities 7% 1938	81.50	86.00
Ont. Pwr. Service 5½% 1950	66.00	69.00
Ottawa Valley Pwr. 5½% 1970	92.00	95.50
Quebec Power 5% 1968	82.00	86.00
Rio Tramways 5% 1935	80.00	85.00
Shawinigan W&P 4½% 1970	80.50	85.00
Shawinigan W&P 5% 1970	85.50	89.00
Shawinigan W&P 6% 1937	90.00	....
Southern Can. Pwr. 5% 1955	87.00	92.00
West Kootenay Pwr. 5% 1956	85.25	89.50
Winnipeg Electric 6% 1954	49.00	52.00
Government Provincial & Railway		
C.N.R. 4½% 1951 Dom. Gtd.	97.50	98.75
C.N.R. 4½% 1957 Dom. Gtd.	97.50	98.75
C.N.R. 5% 1969 Dom. Gtd.	103.00	104.25
C.P.R. 6% 1942	97.00	99.00
Dom. of Can. 5% 1941	100.25	101.25
G.T.P. 3% 1962 Dom. Gtd.	73.25	75.25
G.T.P. 4% 1962 Dom. Gtd.	87.00	89.00
Ont. Hydro 5% 1939 Ant. Gtd.	98.00	100.50
Prov. of N. B. 5½% 1950	99.75	101.00
Prov. of Ontario 5% 1948	99.00	100.75
Prov. of Ontario 5½% 1947	102.75	104.00

Listed Bond Quotations

Week Ending August 22

Montreal	Int. Rate	Due	Yield	Latest Bid	High	Low	Range, 1932 High	Low
Abitibi, 1st mtge.	5	1953	...	...	...	...	46	19½
Asbestos	5	1942	...	20	...	...	65½	40
Do., 1st mtge.	6	1941	...	...	...	...	*20	14
Do., gen. mtge.	6	1956	...	...	...	...	*9	...
Can. Cons. Rub.	6	1946	...	...	...	...	*60½	...
Can. Cottons	5	1940	...	...	...	...	*91	90
Can. Forgings	6	1942	...	...	...	...	*100	...
Can. Locomotive	6	1951	...	...	...	...	‡96	...
Can. Pr. (Laur.)	5½	1958	...	†6½	...	...	7	5
Do. (Way. Ser.)	5½	1958	...	...	...	...	*28½	5½
Can. S. S. debs.	5	1943	...	...	...	...	‡93½	...
Cedars Rapids	5	1953	5.23	†100	...	...	100	95
Dom. Canners	6	1940	...	...	...	...	‡103	...
Dominion Coal	5	1940	...	†98½	...	...	*96½	95
McNish	6	1948	...	100	...	...	1.25	1.00
Mex. L & Pr.	5	1940	...	...	...	...	*73½	70½
Mont. L.H.&P. deb.	3	1939	...	40⅝	40½	40	40½	35
Mont. Tr. 1st mtge.	5	1941	5.37	...	97½	...	97½	91
Mont. Trams. "A"	5	1955	6.31	...	84½	...	84½	69½
Do. G. & Ref. "B"	5	1955	7.45	83½	...	...	79½	78½
Do., "C"	4½	1955	...	...	...	...	*85	84
Do., "D"	5	1955	6.62	...	...	...	81	78
N. S. Steel	5	1959	...	...	...	...	*62½	50
Ontario Steel	6	1943	5.94	90	...	...	100½	...
Porto R. Pr.	5	1936	...	...	...	...	*93	88
Steel of Canada	6	1940	5.90	100⅝	...	...	102½	100½
Wayagamack	6	1951	...	†41	...	...	*75	45
Winnipeg Elec.	5	1935	...	86	...	...	*99½	95½
Toronto								
Canada Bread	6	1941	...	...	...	...	*101½	100
Steel of Canada	6	1940	5.60	...	...	...	102½	...
Dominion Govt. Bonds (Montreal)								
War Loan	5	1937	2.30	111.25	....	....	107.00	105.00
Victory Loan	5½	1933	4.02	101.45	....	....	101.55	100.25
Do.	5½	1934	4.50	101.75	101.90	101.60	101.90	98.25
Do.	5½	1937	3.77	108.00	....	....	108.15	104.00
Do., refund	4½	1940	4.80	97.38	....	....	97.25	91.50
Do., refund	5	1943	4.86	100.75	....	....	100.75	95.38
Do., refund	4½	1944	4.85	96.25	96.75	....	96.75	89.50
Do., refund	4½	1946	4.83	96.25	....	....	92.25	91.50
Conversion Loan	4½	1956	4.82	94.75	....	....	91.50	88.25
Do.	4½	1957	4.84	94.75	....	....	90.50	88.00
Do.	4½	1958	4.77	96.00	96.00	....	96.00	88.50
Do.	4½	1959	4.75	96.13	....	....	96.37	89.00
Nat. Service Loan	5	1936	4.65	101.38	....	....	101.25	96.25
Do.	5	1941	4.90	100.63	....	....	100.75	95.00

†Latest ask.
‡Quotations for 1930. *For 1931. None recorded in 1932 to date.

Active Provincial and Municipal Bonds

Quotations furnished by A. E. Ames & Co. Limited
Canada Permanent Bldg., Toronto, Ontario
Aug. 22, 1932

	Rate	Actual Maturity	Next Int. Date		
*Newfoundland	5	31 Dec. 1952	31 Dec.	75.00	7.35
*Newfoundland	5½	1 July 1939	1 Jan.	77.50	10.05
Newfoundland	6½	30 June 1936	30 Dec.	80.50	12.90
Alberta	4½	1 Oct. 1958	1 Oct.	87.00	5.42
Alberta	5	1 July 1943	1 Jan.	92.00	6.00
Alberta	6	1 Mar. 1947	1 Sept.	100.50	5.95
British Columbia	4½	1 Oct. 1953	1 Oct.	87.50	5.50
British Columbia	5	15 Jan. 1948	15 July	94.75	5.50
British Columbia	6	15 Feb. 1947	15 Aug.	101.50	5.85
Manitoba	4	1 July 1947	1 Jan.	83.50	5.65
Manitoba	5	2 Dec. 1959	2 Dec.	96.00	5.22
Manitoba	6	1 Apr. 1947	1 Oct.	100.00	6.00
New Brunswick	4	1 June 1948	1 Dec.	91.15	4.80
*New Brunswick	4¾	15 June 1936	15 Dec.	99.80	4.80
New Brunswick	5½	1 May 1950	1 Nov.	100.50	5.45
*Nova Scotia	4½	15 Nov. 1948	15 Nov.	97.15	4.75
Nova Scotia	5	1 May 1943	1 Nov.	98.75	5.15
*Ontario	4½	1 Sept. 1944	1 Sept.	101.00	4.40
Ontario	5	15 Oct. 1948	15 Oct.	100.00	5.00
Ontario	5½	1 Feb. 1947	1 Feb.	103.50	5.15
P.E.I.	4	1 Apr. 1939	1 Oct.	90.55	5.65
P.E.I.	6	1 May 1947	1 Nov.	103.00	5.65
*Quebec	4¼	1 May 1961	1 Nov.	100.00	4.25
Saskatchewan	4½	1 Oct. 1944	1 Oct.	86.00	6.10
Saskatchewan	5	1 Oct. 1950	1 Oct.	88.90	6.00
Saskatchewan	6	15 Mar. 1952	15 Sept.	98.25	6.12
Cities					
*Montreal	5	1 Sept. 1963	1 Sept.	104.05	4.75
*Toronto	4½	1 Jan. 1955	1 Dec.	96.50	4.75
*Vancouver	5	15 Jan. 1970	15 July	90.65	5.60
Winnipeg	5	1 Mar. 1944	1 Sept.	91.55	6.00
*Edmonton	5½	1 Apr. 1947	1 Oct.	88.35	6.75
Calgary	5	1 Jan. 1943	1 Jan.	87.00	6.75
Halifax	6	1 July 1951	1 Jan.	104.05	5.65
Saint John	5	15 Dec. 1950	15 Dec.	92.60	5.65
Regina	4½	1 July 1950	1 Jan.	76.75	5.75
Victoria	5	21 July 1945	21 July	90.20	6.10
Quebec	5	1 June 1948	1 Dec.	100.00	5.00

*New York Payment

Winnipeg Grain Prices

Week to August 23

Crop year from Aug. 14, 1931 High	Low		Open Aug. 17	High for week	Low for week	Close Aug. 23
		Wheat				
.60¼	.55½	Oct.	.59	.59⅞	.55½	.55¼
.61¾	.55⅞	Dec.	.60½	.60⅝	.55⅞	.57⅛
.66	.60½	May	.64⅝	.65½	.60½	.61⅞
		Oats				
.27⅞	.24¼	Oct.	.27¼	.27¼	.24½	.25¼
.27	.24½	Dec.	.26	.26	.24½	.24⅞
		Barley				
.34⅛	.31⅛	Oct.	.34⅛	.34⅛	.31⅛	.31⅞
.34	.31⅛	Dec.	.33⅛	.33⅛	.31⅛	.31⅞
		Flax				
.74¼	.70¾	Oct.	.73¼	.74	.70¾	.73¼
.76½	.73	Dec.	.75¾	.76½	.73	.76
.81¾	.78⅝	May	.80½	.81½	.78⅝	.81⅞
		Rye				
.36	.32¾	Oct.	.34½	.34½	.32¾	.33¾
.37⅝	.33⅞	Dec.	.36½	.36½	.33⅞	.35¼
.40¾	.38	May	.39½	.40	.38	.39¾

Canadian Bonded Grain in U. S.

Quotations on New York Produce Exchange, Basis Bufalo
Week to August 23

High 1932	Low		Close Aug. 16	High for week	Low for week	Close Aug. 23
		Wheat				
.66½	.50	Oct.	.54	.53	.50	.51
.59⅝	.52½	Dec.	.56½	.55½	.52½	.54¼

NATIONAL BRICK PROPERTIES SOLD TO LAPRAIRIE CO.

French-Canadian Interests Enter Personnel of New Board

From Our Own Correspondent

MONTREAL.—Announcement is made of the formation of an organization known as Laprairie Co., Inc., which has acquired the properties and business of the National Brick Co. of Laprairie, and the Delson plant and Montreal business of the Cooksville Co.

No statement has been made regarding the personnel of the new board. It is understood, however, that French-Canadian interests have come into the picture. Announcement of the new directorate is expected shortly. Formation of Laprairie Co. follows the bankruptcy of National Brick Co. and the sale of its mortgaged assets by auction.

Securities of the new company are being issued to stockholders of National Brick Co., and exchange may be effected until October 1, 1932. Old preferred shareholders will receive one new common share for each three preferred shares, and old common shareholders will receive one new common share for each 12 shares held.

Bondholders Get Stock

For the mortgaged properties of National Brick, bondholders will receive 15,625 class "B" preferred shares, and 12,400 common shares. There are $1,600,000 of 6 per cent bonds outstanding. The Cooksville Co., for the sale of its Delson plant and Montreal business, will receive 5,000 class "A" preferred shares, and 74,643 common shares.

The authorized capital stock and bond issue of the new company, therefore, is as follows:

5,000 six per cent cumulative redeemable Class A preferred shares of the par value of $100 each.
15,625 six per cent cumulative redeemable Class B preferred shares of the par value of $100 each.
100,000 common shares without nominal or par value.
$500,000 six per cent 20-year first (closed) mortgage bonds (to be used for collateral for bank advances).

Asbestos Corp. Plans Are Finally Completed

From Our Own Correspondent

MONTREAL — Reorganization of Asbestos Corp. is completed, the Quebec Government having issued supplementary letters patent for the reorganized concern. New certificates will be issued to security holders next month.

It is also announced that Kenneth T. Dawes and Dr. C. W. Colby, both of Montral, have been appointed vice-presidents of the corporation.

United States Publishers Curtail Use of Newsprint

From Our Own Correspondent

MONTREAL.—Decline of slightly more than 10 per cent in the consumption of newsprint in the United States, is apparent from returns for the first half of 1932 in comparison with the same period a year ago. On the basis of output, plus imports, and less exports, there were 165,803 fewer tons of newsprint used for the first six months this year.

Production between January and June 1932 amounted to 546,757 tons. Imports from all sources amounted to 932,556 tons, making a total available supply of 1,479,313. From this total is deducted exports of 3,818 tons, making a total apparent consumption of 1,475,495. tons. During the corresponding period last year production totalled 593,652 and imports 1,051,921 for a total supply of 1,645,573. Exports amounted to 4,275 tons, bringing the apparent consumption down to 1,641,298 tons.

The July production and import figures, which are as yet incomplete, indicate a further shrinkage in consumption of newsprint across the line. The drop last month, of course, is largely seasonal, but even making allowance for this trend, American publishers are taking less newsprint this year than was the case in the first half of 1931.

PRESSED METALS MAKES PROFIT ON NEW PRODUCT

Success of New Lines Gives Hope For Increase in Business

New lines developed by Pressed Metals of America Inc., have permitted increased production to such an extent that the company is once again operating profitably. When the dividend on the common stock was deferred on April 1, 1932, it was explained by J. W. Leighton, president, that the dividend ordinarily due on that date had been deferred, but that careful consideration would be given at an early date to the resumption of dividends. He explained this action by saying that sub-normal conditions in the motor and plumbing trades has curtailed the output of the company, but that he expected output of normal proportions within a short time.

That expectation is evidently being realized. The profitable operation referred to does not mean that the company has come anywhere near its possibilities, but only that it has ceased to lose money. Success was expected for the company's new patented spring shackles for automobiles when it was adopted by the Chrysler Corp. for the 1932 model Plymouth. Releases were received almost at once for 80,000 shackles for March delivery. The thread bushings and silent pivot have drawn a good deal of attention throughout the industry and the demand has steadily grown. Considerable hope is built by executives that many of the companies preparing new models for this coming autumn will order the new shackle in view of the exhaustive tests made as to its endurance and superior results in operation.

The company's business at the time of the drop of general business in 1929 and 1930 was in the manufacture of extruded bronze products including bronze and brass bushings, automobile spring shackles, plumbing fixtures and brass alloy products. Since the drop off in plumbing and other demands the company has worked steadily in the direction of improving and extending its lines and of developing through research new articles which, because of improvements, might expect a demand from industry.

STEEL OUTPUT UP FROM JUNE LOW

Only One Furnace Operates in Pig Iron Group in July

With only one blast furnace in Canada in operation at July 31 and that one not in operation during the whole of the month, pig iron production reached a new low level in July. Usual July slackness of business, accentuated by the current depressed business situation, resulted in only 7,317 long tons of pig iron being produced in July, a decrease of ten per cent from the previous month and less than one fifth of the July, 1931, figure.

Production of steel ingots and castings, however, showed some improvement and while the July total of 27,506 tons is not very high when compared with 45,100 tons produced in July, 1931, it is a distinct recovery from the low point of 18,118 tons reached in June. Tonnage of both ingots and castings improved, the former from 17,183 tons to 26,356 tons and the latter from 935 tons to 1,150 tons.

Plant operations in both the iron and steel sections of the industry continue at a low ebb, the one furnace in operation in the iron group having a capacity of 550 long tons a day or about 13 per cent of the capacity of all Canadian furnaces and the activity of the steel plants being between 15 and 20 per cent of capacity.

Mining Stock Quotations

Week Ending August 22.

Par Val.	Range 1932 High	Range 1932 Low	Company	Sales	Close Aug. 15 (or last)	High for week	Low for week	Close Aug. 22
1	.05¼	.03	Abana	25,100	.05	.04½	.04	.04½
1	.02	.00½	Aconda	2,000	.00½	.00½	.00½	.00½
No	.15	.15	Aldermac	......	.15	.....	.....	.....
No	.20	.10	Algoma	523,250	.13½	.20	.13	.16½
1	.09	.00¾	Alexandria	19,000	.02	.02¼	.01½	.01½
1	.01½	.00½	Algonquin	6,700	.00¾	.00¾	.00½	.00½
1	.01½	.00½	Amity C.	......	.01	.....	.....	.....
No	.22	.06	Amulet	12,369	.19	.18	.15	.18
1	.00½	.00½	Apex	......	.00½	.....	.....	.....
1	.02½	.01	Area	1,000	.01½	.01½	.01½	.01½
	.03	.00½	Arno	26,061	.01½	.01½	.01½	.01½
1	.02½	.02	Astoria Rouyn	......	.02½	.....	.....	.....
1	.07	.03	Bagamac	2,000	.03½	.03	.03	.03
1	.01½	.00½	Baldwin	7,500	.01½	.01½	.01½	.01½
1	.12	.03½	Barry Hollinger	4,827	.06½	.08	.06	.06
No	1.00	.30	Base Metals	600	.85	.75	.75	.75
No	.12	.01	Bidgood	29,700	.03½	.03½	.03	.03
1	.16½	.04	Big Missouri	3,505	.13½	.12	.11	.11
1	.16	.02	Bobjo	57,000	.04½	.06	.04½	.06
1	.09½	.02½	Brett Trethewey	8,200	.09	.08½	.07½	.08
No	.03	.00½	Brownlee	9,300	.02½	.02½	.02	.02½
1	.00½	.00½	Buckingham	......	.00½	.....	.....	.....
No	.36	.02	Buffalo Can.	28,500	.02½	.02½	.02½	.02½
No	.04	.01	Bunker Hill	14,670	.03½	.03½	.02	.02
5s	.50	.10	B'Wana McKubwa	......	.10	.....	.....	.....
No	.01	.00½	Cal. Flin Flon	......	.01	.....	.....	.....
No	.03	.02	Canam Metals	......	.02	.....	.....	.....
1	.04	.01½	Can. Kirkland	1,000	.02½	.02½	.02½	.02½
1	.09	.00½	Canusa	5,000	.03½	.03½	.03½	.03½
No	.02½	.00½	Capital Rouyn	5,000	.00½	.00½	.00½	.00½
1	.07	.02½	Cartier Malartic	2,000	.03	.03	.03	.03
1	.21	.09	Castle Trethewey	3,800	.18	.18	.15	.16
1	.09½	.04	Cen. Manitoba	1,500	.08½	.07½	.07	.07
1	.13½	.02	Cen. Patricia	10,375	.09	.13½	.10	.11
No	.07½	.01½	Chibougamau Pros.	2,000	.05	.03½	.03	.03
No	.02	.00½	Clericy	6,075	.01½	.01½	.01	.01½
5	3.00	.45	Coast Copper	700	2.25	2.10	1.75	1.75
1	.02½	.00½	Cobalt Contact	1,500	.01½	.01½	.01½	.01½
No	.16	.15	Cobuc	......	.15½	.....	.....	.....
1	.08	.03	Columario	2,000	.04½	.04½	.04	.04½
5	.80	.69	Coniagas	......	.69	.....	.....	.....
No	.50	.28	Coniaurum	78	.39	.40	.30	.40
25	75.00	25.00	Cons. Smelters	3,369	71.50	73.00	69.00	72.00
No	12.65	9.00	Dome Mines	5,510	12.00	12.40	12.00	12.25
No	.10	.02	Dom. Explorers	178,000	.06½	.07½	.05½	.07
1	.08½	.00½	Don Rouyn	7,300	.02	.03½	.03	.03
	.04	.03½	Duparquet	......	.03½	.....	.....	.....
1	1.57	.76	Eldorado	53,815	1.35	1.57	1.36	1.52
No	1.30	.47	Falconbridge	3,262	1.29	1.19	1.05	1.11
1	.04	.00½	Federal	3,000	.02	.01½	.01½	.01½
No	.00½	.00½	Flintoba	......	.00½	.....	.....	.....
No	.07	.00½	Gem. Lake	7,000	.01½	.01½	.01½	.01½
1	.03	.00½	Goldale	500	.02	.03	.03	.03
10	.24	.05½	Goldfield	......	.15	.....	.....	.....
1	.00½	.00½	Gold Hill	......	.00½	.....	.....	.....
1	.04	.02½	Goodfish	1,500	.03	.02½	.02½	.02½
1	.02	.00½	Graham	......	.02	.....	.....	.....
1	1.25	.50	Granada	11,555	1.19	1.22	1.05	1.10
1	.22	.06	Grozelle	3,047	.08	.06	.06	.06
1	.02½	.01	Harker	2,000	.01½	.01½	.01½	.01½
1	.01½	.00½	Hilltop	31,500	.01½	.01½	.01½	.01½
5	5.80	4.25	Hollinger	4,290	5.70	5.65	5.40	5.50
1	.64	.26	Howey Gold	28,750	.54	.56	.54½	.55
No	3.10	.92	Hudson Bay	6,257	2.70	2.90	2.73	2.75
No	.20	.13	Huronian	......	.13	.....	.....	.....
No	11.00	4.00	Int. Nickel	46,205	9.50	10.00	8.62	10.00
1	.01½	.00½	Jackson Manion	3,500	.01	.00½	.00½	.00½
1	.25	.20	Keeley	200	.25	.20	.20	.20
1	.02½	.00½	Keora Mines	3,500	.01½	.01	.01	.01
1	.70	.40	Kirk. Hud. Bay	3,400	.51½	.60	.50	.60
1	.02½	.00½	Kirk. Hunton	14,000	.00½	.00½	.00½	.00½
1	.55	.19	Kirkland Lake	7,498	.35	.36	.35	.36
1	.03½	.00½	Kirkland Premier	28,000	.01⅛	.02	.01½	.01
1	.03½	.00½	Kirkland Premier	28,000	.01½	.02	.01½	.01½
1	.13	.05	Kirk. Townsite	6,100	.11	.11	.10	.10
20c	.01½	.00½	Koot. Florence	30,500	.00½	.01½	.00½	.01½
1	.01½	.00½	La Rose	......	.01½	.....	.....	.....
1	.41	.14	Lakeland	50	.15	.25	.25	.25
1	30.25	24.90	Lake Shore	981	29.15	29.50	29.00	29.00
1	.00½	.00½	Laval	......	.00½	.....	.....	.....
1	.07	.01½	Lebel Oro	......	.02½	.....	.....	.....
1	.41	.13	Macassa	46,800	.25	.27	.24	.24½
1	.07	.02½	Malartic	8,500	.03½	.04½	.04	.04½
1	.01½	.00½	Malrobic	16,500	.01	.01½	.01	.01
No	.06	.02	Mandy	......	.04	.....	.....	.....
No	.01½	.00½	Manitoba Basin	6,500	.01	.01	.01	.01
5	21.35	14.70	McIntyre	360	18.75	18.75	18.25	18.75
1	.35	.25	McKinley	75	.35	.35	.35	.35
No	.09½	.02½	McLeod River	39,500	.04½	.04½	.04½	.04½
No	1.67	.88	Mining Corp.	3,480	1.60	1.67	1.53	1.67
1	.08½	.01½	Moffatt Hall	25,500	.02½	.03	.02½	.03
1	.02½	.02	Moneta	......	.02	.....	.....	.....
1	.45	.19½	Moss	23,800	.30	.34½	.29	.34½
1	.02½	.00½	Murphy	600	.01½	.01½	.01	.01½
No	.03	.01	Newbec	3,343	.02½	.03	.02	.02½
5	1.34	.50	Nipissing	3,500	1.25	1.34	1.20	1.28
No	19.80	12.50	Noranda	21,837	19.00	19.75	18.75	19.50
No	.24	.10	Nor. Canada	5,218	.22½	.24	.15	.24
No	.01	.00½	Old Colony	......	.00½	.....	.....	.....
1	.08	.05	Osisko	......	.07	.....	.....	.....
1	.16½	.07	Parkhill	1,000	.15	.14½	.14	.14
1	.13½	.11	Patricia Dent	......	.13	.....	.....	.....
1	.02	.01	Pawnee Kirk.	2,000	.01½	.01	.01	.01
No	1.15	.35	Pend Oreille	950	.70	.65	.60	.65
1	.01½	.00½	Peterson Cobalt	2,500	.01½	.01½	.01	.01
1	4.10	3.00	Pioneer Gold B.C.	4,700	3.75	4.05	3.75	4.02
1	.00½	.00½	Porcupine Crown	......	.00½	.....	.....	.....
1	.02	.00½	Potter Doal	500	.00½	.00½	.00½	.00½
	.12	.12	Powell Rouyn	......	.12	.....	.....	.....
1	.75	.32	Premier Gold	4,200	.65	.62	.60	.62
1	.00½	.00½	Preston E. Dome	......	.00½	.....	.....	.....
No	.30	.15	Prospectors Air's	......	.18	.....	.....	.....
No	1.00	1.00	Quebec Pros.	......	1.00	.....	.....	.....
No	.10	.03	Quemont	500	.07½	.09	.09	.09
1	.02½	.00½	Ribago	8,025	.01	.01	.00½	.00½
1	.02½	.01	Ritchie	......	.01½	.....	.....	.....
1	.01½	.00½	Robb Montbray	500	.01½	.01	.01	.01
1	.52½	.25	San Antonio	18,315	.45	.52½	.30	.52
1	.09	.07½	Seven Troughs	......	.07½	.....	.....	.....
1	.65	.18	Sherritt Gordon	35,405	.36	.38	.34	.35½
1	.92	.50	Siscoe	139,486	.76	.92	.75½	.91
1	.03	.00½	South Keora	1,000	.02	.03	.02	.02
No	.02½	.00½	Stadacona	39,200	.02	.02½	.02	.02½
1	.17	.05	St. Anthony	500	.06	.07½	.07½	.07½
No	.60	.16	Sudbury Basin	2,940	.45	.50	.43	.45
1	.01½	.00½	Sudbury Contact	......	.00½	.....	.....	.....
1	.01	.00½	Sudbury Mines	......	.00½	.....	.....	.....
1	.21	.07	Sullivan	41,500	.14	.21	.14	.20
1	.75½	.39	Sylvanite	36,810	.70	.74½	.70	.74½
1	.07	.01	Tashota	1,500	.04	.04	.03½	.03½
1	5.25	3.10	Teck Hughes	25,145	4.02	4.08	3.70	3.78
1	.04½	.02	Thom Cadillac	9,500	.04	.04	.04	.04
1	.40	.10	Towagmac	1,005	.22	.21	.20	.21
1	3.00	1.01	Treadwell	......	2.50	.....	.....	.....
1	.09½	.02	United Kirkland	500	.05	.05	.05	.05
1	.08½	.00½	Vacuum Gas	31,500	.04½	.05½	.04	.05
No	.64	.16	Ventures	41,575	.60	.64	.57	.61
1	.17½	.04	Vickers	10,500	.14	.14½	.13	.13
1	.45	.20	Vipond	2,000	.28	.29	.26	.29
No	1.00	.25	Waite Ackerman	......	.50	.....	.....	.....
1	.07	.01	White Lake	1,500	.04½	.03½	.03	.03
1	.01	.01	Wiltsey Coughlan	......	.01	.....	.....	.....
	.10	.04½	Wood Kirkland	3,000	.07	.07½	.07	.07½
No	3.06	2.09	Wright-Hargreaves	12,688	2.85	2.99	2.80	2.94
			OIL STOCKS					
No	.19	.07½	Acme Gas & Oil	4,000	.16	.15½	.13½	.13½
1	1.17	.60	Ajax	675	.80	.80	.80	.80
1	.12	.04½	Alta. Pacific	200	.09	.09	.09	.09
1	.03½	.02	Askalta	......	.03½	.....	.....	.....
No	.10	.02½	Associated	9,500	.05	.06	.05	.05
No	.05	.01	Baltac	......	.05	.....	.....	.....
	.05½	.00½	Benton	......	.00½	.....	.....	.....
1	.06	.02½	Brit. Dominion	......	.03½	.....	.....	.....
No	.38	.14	Calgary & Ed.	......	.29	.....	.....	.....
1	.09	.04	Calmont	......	.05	.....	.....	.....
1	.14	.03	Common. Pete	......	.05½	.....	.....	.....
No	.20	.06½	Dalhousie	500	.10	.14	.14	.14
No	.01	.01	Devenish	......	.01	.....	.....	.....
No	.02	.00½	Dome Oil	......	.00½	.....	.....	.....
No	.12½	.04	East Crest	2,000	.10	.10	.10	.10
No	.01½	.01½	Fabyan Pete	......	.01½	.....	.....	.....
No	.10	.06	Foothills	......	.06	.....	.....	.....
No	.03½	.02	Freehold	......	.02	.....	.....	.....
1	.02	.00½	Great West	......	.02½	.....	.....	.....
No	.06½	.03	Hargal	......	.03	.....	.....	.....
No	.05	.02	High Sarcee	......	.02	.....	.....	.....
No	.47	.15	Home	845	.35	.35	.30	.30
No	.05	.01½	Homestead	......	.01½	.....	.....	.....
1	.50	.09	Homestead O.&G.	15,300	.24	.24	.19	.24
1	.01	.00½	Illinois Alberta	......	.00½	.....	.....	.....
No	.02½	.00½	Lethbridge	......	.00½	.....	.....	.....
No	.04	.04	Lowery	......	.04	.....	.....	.....
No	.02	.00½	Madison	......	.00½	.....	.....	.....
1	.15	.05½	Mayland	......	.07	.....	.....	.....
No	.04	.01½	McD. Segur Ex.	......	.01½	.....	.....	.....
1	.04½	.01	McD. Segur N.	......	.01	.....	.....	.....
1	.50	.18	McLeod	......	.18	.....	.....	.....
No	.10½	.06½	Mercury	......	.07½	.....	.....	.....
No	.16	.04½	Merland	15,600	.15	.16	.15	.16
No	.15	.08½	Mill City Pete	......	.08½	.....	.....	.....
1	.20	.12½	Model	......	.13	.....	.....	.....
1	.05	.04	Monalta	......	.05	.....	.....	.....
1	.07	.03	Moose Mountain	......	.03	.....	.....	.....
1	.01	.01	New Federal	......	.01	.....	.....	.....
5	.14	.01	Nordon	4,600	.06	.07	.06½	.06½
No	.05½	.02	Oil Selection	14,500	.04½	.04½	.03½	.04
No	.05	.02½	Okalta	......	.03	.....	.....	.....
100	15.00	15.00	Do., Pref.	......	15.00	.....	.....	.....
No	.32	.09	Olga Gas & Oil	9,950	.23½	.21½	.18	.19½
No	.06½	.02	Penn. Pete	70,000	.05	.05½	.05½	.05½
No	20.00	20.00	Perfection Pete Pfd.	......	20.00	.....	.....	.....
1	.28	.12	Petrol Oil & Gas.	1,500	.17	.17	.16	.16
No	.14	.08	Ranchmen's	......	.09	.....	.....	.....
1	.01	.00½	Regent	......	.00½	.....	.....	.....
No	.02½	.01	Richfield	......	.01	.....	.....	.....
No	6.65	3.95	Royalite	457	6.00	6.25	6.25	6.25
1	.29½	.05	Sarnia Oil	1,100	.26	.25	.21	.21
1	.03	.01	Signal Hill	......	.01	.....	.....	.....
1	.20	.10	Spooner	......	.10	.....	.....	.....
No	.11	.05½	Sterling Pacific	......	.07	.....	.....	.....
1	.11	.07½	Turner Valley	......	.07½	.....	.....	.....
No	.08	.03	United	......	.03	.....	.....	.....
1	.09½	.03	Vulcan	......	.03	.....	.....	.....
No	.02	.00½	Wainwell	......	.00½	.....	.....	.....
			VANCOUVER STOCK EXCHANGE (Transaction for Week to August 16)					
25c	.00½	.00½	Bayview	......	.00½	.....	.....	.....
20c	.03½	.03½	Beaver Silver	31,750	.04	.05½	.04	.04½
25c	.04	.01	Bluebird	13,500	.02	.04	.03	.03
1	.12	.04	Bridge River Cons.	3,500	.09	.08	.07½	.07½
25c	.01½	.01	Cork Province	5,000	.01	.01½	.01½	.01½
1	.13	.02	Cotton Belt	......	.02	.....	.....	.....
	.01½	.01½	Dalhousie Mines	1,000	.01½	.01½	.01½	.01½
1	.45	.15	George Copper	200	.20	.50	.50	.50
50c	.02	.01	Geo. Enterprise	1,000	.02	.01	.01	.01
1	.05	.02	Georgia River	50,000	.03½	.03½	.02½	.02½
1	.25	.10	Golconda	700	.12	.25	.25	.25
50c	.08	.02	Grandview	29,000	.04½	.05½	.03½	.04
1	.01	.00½	Independence	1,000	.01	.00½	.00½	.00½
1	.01½	.01	Indian Mines	......	.01½	.....	.....	.....
1	.12	.09	Inter. Coal	1,000	.12	.10	.10	.10
1	.21	.21	Jack Waite	......	.21	.....	.....	.....
25c	.00½	.00½	Kootenay King	1,000	.00½	.00½	.00½	.00½
1	.19½	.07½	Lorne Gold	15,700	.09	.09½	.08	.08½
10c	.02	.01	Lucky Jim	500	.01	.02	.02	.02
5c	.12	.04	Metaline Metals	4,000	.04	.05	.04½	.05
1	.03	.00½	Morton Woolsey	16,000	.00½	.02	.02	.02
50c	.03½	.00½	National Silver	235,700	.02½	.03½	.02½	.02½
50c	.08½	.02	Noble Five	114,550	.04½	.05½	.03½	.04½
50c	.01	.00½	Oregon Copper	2,500	.00½	.00½	.00½	.00½
1	4.11	3.00	Pioneer Gold	1,525	3.95	3.95	3.80	3.90
50c	.08½	.02	Porter Idaho	26,700	.06½	.08	.05	.06
No	.01	.00½	Premier Border	24,500	.01	.02	.00½	.01
No	.28	.07½	Reeves McDonald	1,250	.19	.24	.20	.20
1	.52	.21½	Reno Gold	14,970	.41	.46	.42	.43
	.02½	.02½	Rufus Argenta	2,000	.....	.02½	.02½	.02½
1	.05	.02½	Ruth Hope	15,100	.04	.05	.04	.05
1	.05	.02½	Silverado	1,000	.03½	.05	.05	.05
25c	.02½	.01	Silver Crest	118,000	.01½	.02½	.01½	.01½
50c	.02½	.00½	Snowflake	94,500	.01½	.02½	.01½	.01½
20c	.02½	.01	Wellington	12,000	.01	.01½	.01	.01½
1	.06½	.00½	Whitewater	26,300	.06	.06½	.06	.06
No	.00½	.00½	Woodbine	23,000	.00½	.00½	.00½	.00½

DIVIDEND PAYERS

	Rate	Yield %		Rate	Yield %
Ajax Oil	3c.	....	Petrol Oil	1c	....
Coniaurum	3c.	....	Premier	12c.	19.35
Dome Mines	$1+20c.	9.79	Pioneer, B.C.	12c.	2.98
Hollinger	65c.	11.81	Royalite	50c.	....
Howe Sound	40c.	....	Siscoe	4c.	....
Lake Shore	$2+50c.	8.62	Sylvanite	4+½c.	6.04
McIntyre	$1.50	8.00	Teck Hughes	60c.	15.87
McLeod Oils	5c.	....	Wright-Har.	10c.	3.40
Noranda	50c.	2.56			

CANADA SECOND TO UNITED STATES IN FLOUR EXPORTS

Supplied 37 Per Cent of Britain's Requirements in 1931

Canada ranks second to the United States in the export of wheat flour, according to a special report on world trade in wheat flour issued by the Dominion Bureau of Statistics. Average exports of Canada for the period from 1926-1930 were 9,510,000 barrels compared with 13,250,000 barrels exported from the United States and 5,110,000 barrels exported from Australia which country ranked third. Between them those three countries did 68 per cent of the world trade in wheat flour during the period.

The British Empire is responsible for 43.6 per cent of the world exports of wheat flour and provides a market for 31.4 per cent of the wheat flour imported. Only two countries among the British Commonwealth of Nations import more than a million barrels of wheat flour annually, these being the United Kingdom with a five year average of 5,942,000 barrels and the Irish Free State with an average of 1,849,000 barrels.

World Trade

The following table shows imports and exports of wheat flour throughout the world:

GROSS EXPORTS OF WHEAT FLOUR
5 Year Average 1926-30

	Barrels	%
British Empire	17,789,190	43.63
Canada	9,509,166	23.32
Australia	5,109,565	12.53
United Kingdom	2,393,433	5.87
Irish Free State	637,110	1.57
Other	139,916	0.34
Foreign Countries	22,986,722	56.37
United States	13,253,209	32.50
Hungary	2,230,044	5.47
Japan	1,977,836	4.85
Argentine	1,624,673	3.98
Other	3,900,960	9.57
World total	40,775,912	100.00

GROSS IMPORTS OF WHEAT FLOUR
5 Year Average 1926-30

	Barrels	%
British Empire	12,221,972	31.44
United Kingdom	5,941,779	15.28
Irish Free State	1,848,711	4.75
British Malay	622,037	1.60
Other	3,809,445	9.81
Foreign Countries	26,654,952	68.56
China	4,245,555	10.92
Brazil	2,136,774	5.50
Egypt	2,111,742	5.43
Czechoslovakia	2,076,025	5.34
Netherlands	1,723,723	4.43
Austria	1,630,736	4.19
Finland	1,239,054	3.19
Greece	697,097	1.79
Germany	612,157	1.57
Other	10,182,089	26.20
World total	38,878,723	100.00

Preliminary figures for wheat flour trade during 1931 show that world exports were 32,742,000 barrels compared with a five year average of 40,776,000 barrels. Of the 1931 total, Canada's share was 5,697,000 barrels, a drop of 3,800,000 barrels from her five year average and 1,817,000 barrels less than in 1930.

Complete figures are not available for British Empire exports but the total of the four chief countries in the Empire was 14,295,000 barrels, or 43 per cent of the world total, the same proportion as for the five year average.

The United Kingdom is the chief wheat flour importing country in the world and of her 1931 total imports of 6,143,815 barrels the Empire provided 4,018,539 barrels. Of this latter total Canada supplied 2,277,513 barrels and Australia 1,462,682 barrels. The United States is the chief non-Empire country exporting wheat to the United Kingdom, her contribution in 1931 being 1,239,897 barrels.

Enamel Heating Products Re-opens Amherst Plant

From Our Own Correspondent

MONTREAL—Plant of Enamel and Heating Products at Amherst, N.S., has re-opened with enough business in sight to insure several weeks' operations. The company manufactures stoves, boilers and a wide line of enamelled goods. Operations last year resulted in a loss of $41,430 and a deficit of $98,835 was brought forward into the current year.

French Banks Withstand General Dividend Cuts

Downward revision of dividend rates has been general among Canadian banks during the past six weeks and only two banks in the Dominion, which have declared dividends during that period, have withstood the trend. These two banks, Banque Canadienne Nationale and Banque Provinciale du Canada, have maintained their dividend rates at 10 per cent and 9 per cent, respectively.

All the other banks except Imperial and Bank of Nova Scotia have declared dividends payable on either September or October 1, which reduce the annual rate from 12 per cent to 10 per cent. Bank of Nova Scotia, which formerly paid at the rate of 16 per cent has reduced this to 14 per cent, the first payment at this new rate being due on October 1.

Imperial Bank's first dividend to be declared since reductions became general is payable on November 1 and will not be declared until about the middle of September. The stock of this bank, therefore, still has a 12 per cent dividend rate.

The following table gives the old and new annual dividend rates and the date of the first quarterly payment under the new rate.

DIVIDEND RATES OF BANK STOCKS

	Old Rate	New Rate	Quarterly Payment
Nova Scotia	16	14	Oct. 1
Montreal	12	10	Sept. 1
Royal	12	10	Sept. 1
Commerce	12	10	Sept. 1
Dominion	12	10	Oct. 1
Toronto	12	10	Sept. 1
Imperial	12	†	Nov. 1
Can. Nationale	10	10	Sept. 1
Provincial	9	9	Sept. 1

†Not yet declared.

WILLSON SHOWS $45,158 LOSS IN PAST YEAR

Western Envelope Firm is Affected By Local Conditions

Willson Stationers & Envelopes Ltd. had a loss of $45,158 in the year ended April 30, 1932, after provision for income tax, as compared with net profit of $2,211 in the previous year. After payment of one quarterly dividend on the first preference shares amounting to $7,000, the company had a deficit for the year of $52,158 which wiped out the previous surplus of $20,772 and caused a deficit of $31,386 to be carried forward. In the previous year, deficit amounted to $41,189 after payment of first and second preference dividends. With head office in Winnipeg, and branches throughout the West, the company was adversely affected by conditions in Western Canada and sales were substantially lower.

Working capital of the company is down to $464,441 from $503,761. Current assets were down to $575,753 from $596,641 and the current liabilities increased to $111,312 from $92,880. Included in current assets is cash at $22,998, accounts receivable at $125,489 and inventories at $427,266. The latter two items both show reduction of $5,000 from the previous year. Loans were increased to $65,000 from $45,000. Accounts and bills payable and accrued charges showed quite an increase at $14,142 and provision for income taxes was down to $4,170 from $6,150.

Investments Lower

Investments are carried at $88,825 compared with $98,116 in 1931, life insurance cash surrender value being shown at $30,450, investment in Pioneer Envelopes Ltd. at $35,000, and miscellaneous bonds and shares at $23,375, the latter having a market value of $14,364. Reduction in investments is largely due to write-offs of the entire amount invested in a firm now in liquidation from which it is hoped that some amount will be realized when liquidation proceedings are completed.

Fixed assets include land and buildings at $119,790, machinery plant at $18,297, furniture fixtures and office equipment at $39,844, and automobiles at $2,325. Deficit of $31,386 has been included among assets rather than being deducted from book value of capital stock. Capital stock consists of 4,000 shares of $100 par value 7 per cent first preferred stock, 2,200 shares of $100 par value 7 per cent second preference stock and 32,100 shares of no par value common stock. There has been no change in capital stock during the past year.

Income of surplus account of the company in the past three fiscal years is as follows:

CONS. INCOME & SURPLUS ACCOUNT
Years Ended April 30

	1932	1931	1930
	$	$	$
Net profit†	*45,158	2,211	90,894
Less appropriations:			
1st pref. divs.	7,000	28,000	18,667
2nd pref. divs.	......	15,400	10,266
Surp. for year	*52,158	*41,189	61,961
Add: Prev. surp.	20,772	61,961	......
Bal. carried fwd.	*31,386	20,772	61,961

*Deficit or loss. †After providing for income tax.

SUGAR REFINING OUTPUT UP IN 1931

Export Market is Now Almost Entirely Wiped Out

Although sugar exports in 1931 fell to almost half the previously low point of 1930, the gross value of products of the industry at $43,962,000 was over a million dollars greater than in the previous year and the value added by manufacture increased approximately $2,500,000 from the 1930 figure.

Eight sugar refineries have been in operation in Canada for the past number of years, their total capacity being capable of not only taking care of the domestic market by handling an export business which at one time, in 1919, had a total value of $23,000,000. Since that time, however, exports have fallen away until they were only valued at $878,000 in 1931.

Capital invested in the industry has also fallen consistently during the past number of years and in the past five years has dropped from $50,000,000 to $37,700,000 in the year under review.

Employment and wages paid were slightly less in the industry in 1931 than in 1930, the 2,265 employees in 1931 receiving $3,307,730 compared with 2,291 employees in 1930 who received $3,560,260 in salaries and wages. The high point in employment was reached in 1919 when there were 3,491 persons on the industry's payroll.

Although sugar made from cane is responsible for about 88 per cent of the total output, there was over 100 million pounds of beet sugar, valued at $4,800,000, produced in 1931. About 43,000 acres were sown to beets in Canada in that year and produced a crop of 436,000 tons having a value of $3,190,000. This is the largest crop ever recorded although the total value was exceeded in 1930 by about $87,500.

Principal statistics of the industry for the past five years are:

Statistics of Sugar Refining Industry

	Capital Invested	Wages Paid	Value of Products
	$	$	$
1927	50,039,122	3,839,488	60,502,664
1928	48,625,818	3,671,086	52,085,155
1929	48,534,118	3,686,037	47,151,960
1930	48,855,155	3,560,260	42,938,722
1931	37,691,433	3,307,730	43,962,061

Stanford's Fails to Sell Mansfield Street Store

From Our Own Correspondent

MONTREAL—Recent reports that the trustee of Stanford's Ltd. had succeeded in disposing of the last store property of the bankrupt company were premature. Negotiations for the sale of the main property on Mansfield Street were well advanced, but fell through at the last moment.

Thus the outlook for creditors still remains vague, while prospects for shareholders retrieving anything from the wreck remain remote. Stanford's, operating a chain of meat-markets, has been purchased by a new concern, Buywell Food Markets. Shareholders have been offered new securities in exchange for their old holdings.

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1 Ounce Tin - 25c
2 Ounce Tin - 50c
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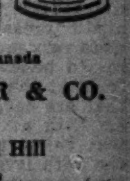

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MONTREAL

WHEN REMITTING SEND CANADIAN NATIONAL EXPRESS MONEY ORDERS

CANADA PERMANENT MORTGAGE CORPORATION
Quarterly Dividend

Notice is hereby given that a Dividend of THREE PER CENT for the current quarter, being at the rate of TWELVE PER CENT PER ANNUM on the paid-up Capital Stock of the Corporation, has been declared, and that the same will be payable SATURDAY, THE FIRST DAY OF OCTOBER next, to Shareholders of record at the close of business on the Fifteenth day of September, 1932.

By order of the Board.
WALTER F. WATKINS, Secretary.
Toronto, August 17th, 1932.

J. Harold McLean & Co.
Certified Public Accountants
Authorized Trustees and Liquidators
J. Harold McLean, C.P.A.
388 St. James St. West. LAncaster 9434

Established in 1889
By the late J. P. Langley, F.C.A.
J. P. LANGLEY & CO.
C. P. ROBERTS, C.A.
Chartered Accountants
G. S. HOLMESTED
Authorized Trustee in Bankruptcy Proceedings
Liquidator, Receiver, Etc.
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RECENTLY The Financial Post published a series of eleven articles on the ten depressions that Canada has come safely through in the last one hundred years, and on the eleventh which she is now experiencing. Tremendous interest was shown by many readers in these articles; they have now been reprinted in the form of a small booklet which is available at nominal cost.

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Canadian Mining News

TECK HUGHES STORY UPSETS SHAREHOLDERS

Press Report on Mine Sets Mining Circles Agog

Mining circles in Toronto were agog and aghast at an article appearing in a mining paper respecting Teck-Hughes Gold Mines, which by means of pessimistic innuendo left the impression that all was not well with the lower levels at this property.

The article in question, while making no reference as to being of official origin, carries the inference of authenticity. What is regarded as more surprising is that no official of the company has come forward to either deny or confirm the truth of the statements made. The news, coming as it does, right after a series of optimistic reports during the past several months, has left even usually well informed circles mystified as to the future of this once famous and highly esteemed gold producer.

No official statement has been forthcoming from the property as to mine development, since the annual meeting, held on November 17 last or more than 9 months ago. At that time after months of unofficial but optimistic reports from the property, the general manager of the company frankly and freely told of the development on the then lowest level of the mines—developments that were anything but encouraging. In view of previous optimistic press reports, shareholders were very much perturbed but were led to believe the worst had been told. At that time it was admitted that ore development on these levels both as to grade and tonnage was below the mine average. On the 26th level drifting had at that time encountered 247 ft. of ore averaging $12.55 per ton in gold over a width of 7.7 ft. On the 27th level 50 ft. of ore had been developed, averaging $7.10 per ton over a width of 7.4 ft. and on the 28th level 327 ft. of ore has been encountered averaging $13.32 per ton over a width of 10 ft. On the 30th level, results were more encouraging with 774 ft. of ore averaging $11.40 per ton over a width of 7.9 ft. Only a small amount of work had been done on the 31st level.

Reports since then though unofficial in nature, have been reassuring. Now comes the announcement that the 31st level is fair enough but not up to the 30th. The 32nd and 33rd are not average. The 34th and 35th levels have some good sections which might be described as miniatures of the finest levels of the mine. On the 36th and 37th levels drifting is under way. Cross cutting is proceeding toward the vein on the 38th level.

Deep Development Pushed

In the same article reference is made to the rapid development of the property at depth and plans which will carry operations to an immediate objective of 6,700 ft. This, too, has made shareholders alarmed, as ordinarily economic limitation does not dictate carrying development beyond 4 or 5 years' ore supply, owing to the capital expenditure involved. On top of it all comes the news that the company is actively searching for a new mine.

It is known that the Wettlaufer interests at Buffalo, which figure prominently in Teck-Hughes affairs, are interested in the Hughes find in Louvicourt township, Quebec, and while it is not known that Teck-Hughes Gold Mines have concluded arrangements to acquire this property, it is known interest has been displayed, by the Teck-Hughes management.

This manifest interest in a new property also has Teck Hughes shareholders guessing, as at the last annual meeting a definite mandate was asked for by officials of the company and given by the shareholders which requested the company to confine its energies to its Kirkland Lake mine and not search for new properties. While this mandate from the shareholders was given at an annual meeting, it is regarded as likely as being the wishes of the majority of the shareholders. Many well informed shareholders have since expressed themselves as being distinctly against such a short sighted policy. Nevertheless it was the expression voiced at the annual meeting for the directors' interpretation. The fact that this was disregarded shows that the Teck-Hughes directorate intend to manage the company in what they consider is the best interests of all.

The absence of official information regarding the mine in recent months has caused the Financial Post to bring to the attention of Tech-Hughes directors how imperative it is that an official statement be made. Shares of the company in past months have been subject to violent and wide price fluctuations, following these unofficial press announcements of development at the property. The latest article was quickly reflected by a downward market price of the shares, at a time when shareholders were becoming encouraged by news eminating from the property and by the strength reflected in their security on the market.

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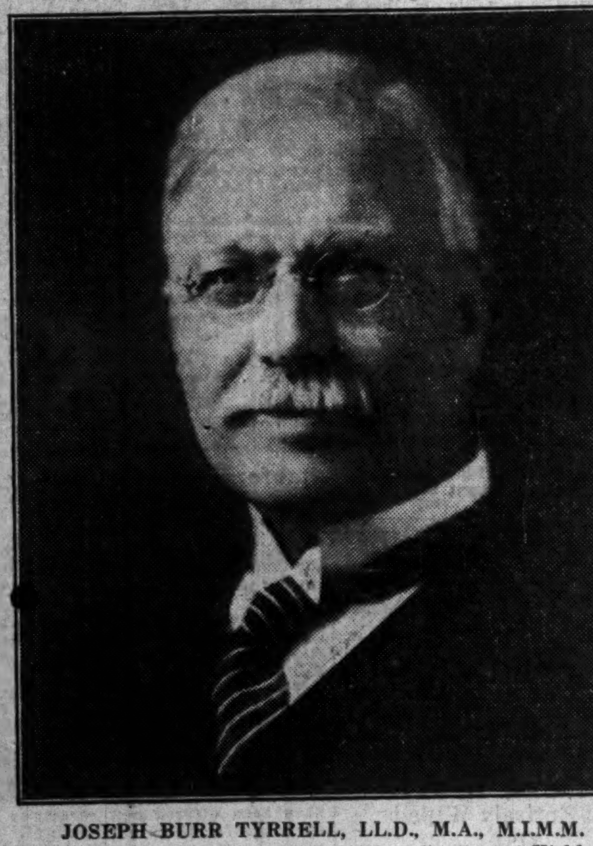

JOSEPH BURR TYRRELL, LL.D., M.A., M.I.M.M.

Explorer emeritus, president and managing director of Kirkland Lake Gold Mining Co., Kirkland Basin Gold Mines; president of Northern Canada Mining Corp., ursa Major Mines; vice-president of Brett-Trethewey Mines, Grozelle Kirkland Gold Mines.

J. B. Tyrrell Still Active Furthers Canadian Mines

An Intrepid Explorer and Man of Science Who Has Contributed Immeasurably to Canada's Welfare

You will find his trails and camp fires along scores of lakes, rivers and mountains throughout the Canadian Northwest. You will find the marks of his rock pick and his blazing axe along the first passes charted through the Canadian Rockies. Still enjoying the best of health, retaining his youthful buoyancy, and with an unwarped mental outlook, we find Joseph Burr Tyrrell, LL.D., M.A., in his seventy-fourth year, still planning and reading the secrets of the rocks, in order that Canada's mining industry may be furthered.

If you could retrace his footsteps in the past fifty years and survive the ordeals and privations of his early exploration efforts, you could understand how, by dint of achievement, he has come to be known as "the dean of the Canadian mining industry." The story of the initiative which he still possesses and which carried him through the Canadian West, the Rocky Mountains, across the barren lands from Lake Athabaska to Chesterfield Inlet, fighting the ice down the west shore of Hudson Bay and the snowshoe tramp to Lake Winnipeg, can relate only some of the episodes of this intrepid explorer whose early exploits did so much to pioneer a Canadian Northwest.

J. B. Tyrrell was born in Weston, Ontario, in 1858, of Irish parentage. After attending Upper Canada College and University of Toronto, he obtained his B.A. in 1880 and M.A. in 1889. In 1930 the University of Toronto recognized his life of achievements by conferring on him its highest honor—LL.D.

Joins Geological Survey

Frail as a youth, he was prompted to join the Canadian Geological Survey in 1881. It was this early association that sealed the fate of his life work. In 1883 he accompanied the late Dr. G. M. Dawson in his exploration of the Rocky Mountains. On this trip young Tyrrell perceived and noted coal deposits which have developed into our huge western coal mining industry. In Alberta he discovered and first noted the remains of dinosaurs. From 1881 to 1898 his explorations and mapping of Alberta, Manitoba and the Northwest Territories provided numerous Dominion reports on geological mining and historical subjects.

In 1898 he left the geological survey to participate in the Klondyke rush. Here he practised his profession, returning to Toronto in 1906. In the next twenty years he acted as a mining consultant for large British interests, who, incidentally, had they displayed the same faith in Ontario's mining industry, would have been in possession of some of Ontario's largest mining properties.

In his busy life, Dr. Tyrrell has been a writer of note. He was author of "David Thompson, Explorer." He edited "A Journey from Prince of Wales Fort in Hudson Bay to the Northern Ocean" (by Samuel Hearne); "Thompson's Narrative of his Explorations in Western America" and "Early History of Hudson Bay."

In 1896 the Royal Geographical Society gave him a "Back Award." In 1918 the Geological Society of London awarded him the Murchison Medal, while the American Geographical Society awarded him the Daly Gold Medal.

Establishes Study Fund

In 1927 Dr. Tyrrell established the "Tyrrell Award," in order that mining men in Great Britain might annually be financed to visit and study Canadian mining industries.

Since 1924 Dr. Tyrrell has been directing the affairs of the Kirkland Lake Gold Mining Co. Here, his geological studies and the subsequent development have pioneered in reading the riddle of the rocks of Canada's deepest mine in America's largest gold camp. Here, his deductions have been vindicated as work has progressed. Here too, his kindly feeling and integrity have been manifested in his magnanimous spirit in co-operating with and aiding his mining neighbor in opening up another new property.

While Toronto is his home and the seat of his executive activities, his recreational efforts lie fifteen miles east of Toronto, where he has one of Ontario's largest apple orchards, and he is to be found there after office hours, participating and profiting in another golden harvest.

Federal Mines Branch Issues Bulletin on Gold

The Federal Department of Mines at Ottawa has just published a new report entitled "Gold in Canada." This report is released concurrently with the one by the Geological Survey Branch of the same department on "Gold Occurrences of Canada." This new report covers in a brief form and in non-technical language a description of the gold mining industry in Canada including the character and extent of mining and the production operations now in progress. The statistical records and industrial descriptions are prefaced by short discussions of such topics as the physical and chemical properties of gold; its rarity and mode of occurrence; the history of its use; the gold standard; the history of the world's production and Canada's present place among the world producers.

The subject of gold is at the present time receiving such an enormous amount of attention and study in connection with its position in the world's economic structure, that the issue of these two reports is particularly opportune in presenting Canada's position. These bulletins are available from the Department of Mines, Ottawa.

Kirkland Lake Proprietary In Voluntary Liquidation

As foreshadowed by an announcement at the annual general meeting of the company, held in December last, Kirkland Lake Proprietary (1919) Ltd. has decided to go into voluntary liquidation. By reason of its liabilities the company cannot continue to function and C. A. Dodds of Finsbury Pavement House, Moorgate, London, E.C. 2, has been appointed liquidator for the purpose of winding up the company.

The passing of this company marks the end of another English group's activities in Canada mining enterprises. The company was incorporated in England in 1919 for the purpose of amalgamating the Kirkland Lake Proprietary Ltd., Tough-Oakes Gold Mines Ltd. and Aladdin Cobalt Ltd. and Sudbury Syndicate. In 1920 control of the Sylvanite Gold Mines was acquired. The latter, together with the Tough-Oakes property was sold to the Tough-Oakes Burnside Gold Mines Ltd. for 3,857,510 shares in that country. In 1923 the Sylvanite mines was sold to the present Buffalo group which now controls the company. The last tangible asset of the company in Canada passed when the bonds of the Tough-Oakes Burnside Gold Mines were recently liquidated at 40 cents on the dollar. Kirkland Lake Proprietary was the principal holder of the bonds.

Salmon Pack at Fraser Plants

Up to July 30th, 25,405 cases of sockeye salmon were packed at the four Fraser river canneries. Of this pack 8,865 cases were of fish actually caught in the river.

NICKEL SHOWS $629,327 LOSS LAST QUARTER

Inventories Show Small Increase; Nickel Bureau Opened in Tokio

International Nickel for the three months ended June 30, 1932, showed a net loss of $629,327, after write-offs for depreciation, depletion and reserves of $747,319. This compares with a net profit of $536,072 after write-offs of $803,931 in the previous three months period ended March 31, 1932.

The balance sheet as at June 30, 1932, shows a slight increase in inventory; about 4 per cent above the inventories of March 31, 1932. Current assets amount to $28,754,128 including $22,477,606 in inventories. Total current liabilities are $3,550,047, leaving a net working capital of $25,204,080 as compared with $26,003,757 as at March 31, last.

Debentures Reduced

One item appearing in the last balance sheet—a debenture stock of British subsidiary—shows a reduction to $7,264,993 as compared with $7,385,402 on March 31, last. This reduction in the debenture stock outstanding affected to a degree the reduction in the current assets.

The following is a comparative consolidated profit and loss statement for the last two quarterly periods.

	3 mos. ended June 30 1932 $	3 mos. ended Mar. 31 1932 $
Earnings	470,931	1,764,954
Other inc.	18,452	2,712
Total inc.	489,383	1,767,666
Less:		
Adm. & gen. exp.	257,669	276,461
Prov. for taxes	27,503	65,371
Net oper. inc.	204,211	1,425,834
Less: Interest	86,219	85,832
Deprec., depl. & other reserves	747,319	803,931
Net loss	629,327	*536,072
Surplus beginning of period	16,810,400	16,757,813
Net loss as above	629,327	*536,072
	16,181,073	17,293,885
Dividends, pref.	483,474	483,485
Surplus	15,697,599	16,810,400

*Profit.

In a letter to shareholders accompanying the quarterly statement, Robt. C. Stanley, president of the company makes reference to the activities of the company's research department. Five plant laboratories, two experimental and testing laboratories as well as a series of bureaus of nickel information are established in various parts of the world. The newest office to be opened was the one recently organized in Tokio, Japan. These research officers are staffed by metallurgical engineers who are busy not only in keeping the scientific world informed as to the properties of nickel, "Monel Metal," alloy steels and other nickel alloys but also in taking this information into the foundries, machine shops, drafting rooms of the industrial world and working out on the job its application in the better performance and better design of countless engineering and manufacturing processes.

FOGGED FILM FABLE FOOLS FICTIONIST

Tom Creighton's Narrative Accepted as Truth By Cooper

From Vancouver comes the story of a geologist prospecting for radium bearing ore by means of photographic films. According to the dispatch the geologist found his rolls of film to be light struck and as a consequence he is back-tracking in the hope of locating the ore that fogged his films.

This story recalls one written by Courtney Riley Cooper, that colorful portrayer of fiction and fact, in writing of the Great Bear Lake radium finds last spring in the Saturday Evening Post. In the course of the story, Mr. Cooper painstakingly depicted the simplicity of prospecting for radium ore as imparted to him by Tom Creighton, veteran prospector of the Northern Minerals Aerial Exploration Co. In a solemn and impressive way this veteran prospector told how really simple it was to prospect for radium ore; how he simply dropped rolls of photographic film around a vein, as one would drop potatoes in a furrow and after 72 hours returned and gathered in his crop. If there was radio-active ore present the films would be fogged, if not, they would be clear. This story by Tom Creighton made such a hit with Cooper that he repeated it, never suspecting Creighton's veracity.

The satisfaction was Creighton's when he saw the story in print and enjoyed a quiet chuckle to himself on how he had pulled the leg of the famous writer. The films which he had shown Cooper had never been nearer Great Bear Lake than The Pas.

Pioneer Gold to Deepen New No. 3 Shaft to 3,000 Ft.

Reports that Pioneer Gold Mines of B. C. is to deepen its No. three shaft to the 3,000 ft. horizon is the latest news to emanate from this B. C. producer. In March, 1931, a new three-compartment main production shaft was started toward an immediate objective of 1,625 ft., with plans for its completion this year. New plans then called for continuing to a depth of 2,125 ft. and opening four additional levels. At the present time the shaft is at a depth of approximately 1,800 ft. and levels have been established every 125 ft.

The new airplane service from Vancouver has reduced transportation to the mine to 5 hours. The route by the plane is from Vancouver to Lillooet, a matter of 1 hr. 50 mins., then by launch service across Beaton Lake and then by motor to the site of operations at Cadwallader Creek, a tributary of the Bridge River.

Historical Bulletin Issued Covering Ontario Mining

The Ontario Department of Mines has prepared a new bulletin, No. 83, covering 25 years' history of Ontario's mining industry. The bulletin traces the development of the various camps from their discovery, showing the progress that has been made, particularly in the past 25 years.

The statistical records are most complete and separate chapters are given over to mining methods, mining machinery, blasting materials, the use of electric power. The ore dressing and metallurgical practices at the nickel, gold and silver mines are also discussed. Natural gas and its development in the past 25 years is also covered. The final chapters deal with the Ontario Mining Act and mines taxation.

The bulletin is obtainable gratis from the Ontario Department of Mines.

Newest Gold Find Is Near Goudreau

The latest gold find reported is from the Algoma district, Ontario, where Orval Renaud, prospecting for the Mark Little Syndicate has made a discovery, at Manitowik Lake about 10 miles south-west of Missimaibi, on the Canadian Pacific Railway. At least two veins are reported, one of four feet in width showing free gold and another of about the same or wider width in which no gold has been encountered.

This find further confirms the fertility of the Temiskaming sediments for prospecting. The geological maps show the northern end of this lake, lying in the Temiskaming sediment. Immediately to the west is Goudreau, while about 40 miles northwest of the find is the Michipicoten area with its two gold producers.

MACASSA MINES COMPLETES FIRST SCHEDULED PLAN

New Shaft and Drift Connected; Work Now Centres on Developing Ore

The first scheduled programme in the development of Macassa Mines was completed on August 22, when a connection was made between the drift on the 2,475 ft. level from the Kirkland Lake property and Macassa's new shaft recently completed to a depth of 2,500 ft.

Development from now on will be concentrated on a definite exploration programme and the blocking out of known ore encountered on the 2,475 ft. horizon.

A definite and aggressive programme toward prospecting the Macassa property was started in April 1931 with the commencement of shaft sinking to the 2,500 ft. horizon. Coincident with this sinking programme a neighborly agreement was reached with the adjoining Kirkland Lake Gold Mining Company whereby it undertook to extend its drift on the 2,475 ft. horizon westward approximately 2,500 ft. toward Macassa's new shaft. In this drifting the first commercial ore encountered was found about 550 ft. west of the Kirkland Lake-Macassa boundary. While the drift values were erratic the ore shoot was shown to be about 130 ft. long. This was followed by 150 ft. of drifting which showed no commercial assays. From approximately 830 ft. to 1,740 ft. west, drifting showed several commercial shoots ranging from 40 to 120 ft. in length and having a combined length of 310 ft. and assaying $11.20 in gold per ton over an average width of 4½ ft. In this drifting programme no attempt was made to determine the ore potentialities.

An interesting phase of this shaft sinking programme was the economy with which the work was conducted. Over all costs including sinking, timbering, equipping the shaft, including pipe lines and installing pumps on the 2,500 ft. level were $16.48 per vertical foot.

Tailings

The Clement property in Brousquet township, Quebec, which was optioned recently by Noranda Mines has started a diamond drilling campaign according to advise from the area. Noranda is also said to have optioned the property adjoining the Clement property known as the Manning claims.

* * *

At the property of Canadian Gold Operators, which is under option to Ventures Ltd., latest advice states that the crosscut on the 125 ft. level has encountered a vein previously shown in diamond drilling.

* * *

Hillcrest Syndicate owning a gold showing about 3½ miles west of Englehart, Ont., is busy at surface development work. Several veins are said to occur in an 80 ft. shear zone, running southwest-northeast across the company's property. The largest vein is about 34 inches wide, said to carry values in gold.

* * *

Weldy Young has made an agreement with the Young-Davidson Mines and has a small party at the property prospecting and examining exposures opened up during developments several years ago.

* * *

A feature of the forthcoming British Columbia Exhibition will be a display of materials from new discoveries throughout the province. Mining men have been requested to forward samples from their discoveries, and an impressive array is expected, that will be of unusual interest. Samples of the more spectacular ore from the producing mines have been promised.

* * *

The operations of Treadwell Yukon Co. in the Pascalis area in Quebec, which are the most advanced of any in that district, are nearing the commencement of production. Officials in Toronto are expecting F. W. Bradley, president and consulting engineer at the property this week, after which a statement may be forthcoming as to the present status of operations and plans for the future.

Reeves MacDonald Report Assets Small, Debt Large

The annual report of Reeves MacDonald Mines, which owns a lead-zinc property on the Pend d'Oreille River just north of the Washington-British Columbia boundary, shows current assets of $262 and current liabilities of $19, on Feb. 28, 1932. In addition, there is a deferred liability in the form of a loan from the Pend Oreille Mines & Metal Co. amounting to $150,089. The company suspended production in July, 1930, owing to low metal prices.

Of the company's 3,000,000 no par value capitalization, 2,058,000 is issued and outstanding. Approximately 1,200,000 shares are owned by Pend Oreille Mines & Metal Co.

Quebec Forest Area Largest

A survey of the forest areas in Quebec Province, recently completed under the direction of Gustave Piche and other officials of the Department of Lands and Forests, shows the existence of 244,114 square miles of merchantable timber — the largest forest area of any province in the Dominion.

CALMONT OILS REPORT SHOWS CAPITAL GONE

Current Assets Shrink from $407,879 to $21,571

The balance sheet of Calmont Oils, dated March 31, 1932, just forwarded to shareholders is of particular interest inasmuch as current assets have shrunken to $21,571 from $407,879 shown on the last published statement of March 31, 1930. The current liabilities are shown at $123,621, making excess of current liabilities over current assets of $102,050 as compared with a working capital of $131,937 on May 31, 1930. Of the current liabilities $111,087 is in general accounts payable on which the company has given a mortgage amounting to $102,117 secured by drilling equipment, piping separators, etc., shown as valued at $374,776. Of the contingent liabilities $22,120 is also shown on account of the guarantee, by the company, of the Dolphin Petroleum Limited account.

Previously no income and surplus account has been shown, which leaves the operations of the company very much in the dark so far as the shareholders are concerned. The financial situation now facing the company is further complicated by an official statement made to The Financial Post in August 1930 when it was stated that it was not the company's intention to carry on a big development programme and that it was the intention of the directors to further curtail development until a substantial reserve had been built up. Revenue was estimated at that time between $40,000 and $50,000 per month.

Late in April, 1930, when the company's No. 2 well blew in, officials said it was the biggest producer in Turner Valley, but official production statements were withheld. At that time production information was withheld although the company's vice-president and managing director, J. P. Dallas, was in England in the interests of further financing.

Juggling of the financial structure of the company has been frequent. Upon incorporation it had an authorized capitalization of $1,000,000 in $1 par value shares. This was later increased to 2,000,000 shares. Still later it was increased to 10,000,000 shares and late in 1930 it was reduced to the present capitalization of 3,000,000 shares of which 2,105,586 shares are outstanding.

DROP IN BUILDING LEAD BY ONTARIO

July Building Permits Less Than Half 1931 Figure

Showing a reduction of 3.7 per cent from the previous month the value of building permits issued in 61 cities in Canada during July amounted to $4,227,173, compared with $4,388,274 in the previous month, according to the Dominion Bureau of Statistics. Compared with the same month of 1931, the 1932 total showed a drop of 61.7 per cent, or $6,815,436.

For the first seven months of 1932, permits issued were valued at $26,806,241, which was lower than in any similar period since the record was first compiled in 1920. In this regard, however, it should be noted that the index number of wholesale costs of building materials has fallen from 144.3 in the first seven months of 1920 to 78.2 in the same period of the current year.

There were fifty cities which furnished detailed statistics, showing that they had issued 450 permits for dwellings valued at $1,000,000 and 1,800 permits for other buildings estimated at about $3,200,000 in July. These figures compare with June totals of 400 dwellings and 2,100 other buildings, valued at approximately $1,100,000 and $3,200,000 respectively. Among the larger cities, Montreal, Toronto, Winnipeg, Vancouver and Halifax showed small gains as compared with the previous month but this increase was eliminated by decreases of $630,000 and $135,000 in Windsor and Ottawa respectively.

Compared with the previous month, all provinces with the exception of Ontario and Alberta recorded gains in July with Quebec having the largest increase of $585,000 or 38.1 per cent. Ontario showed the larger drop with a reduction of 46.0 per cent compared with Alberta's 23.3 per cent. In comparison with July, 1931, all provinces showed declines, that of $3,843,000, or 77.5 per cent, in Ontario being the greatest.

International Truck Sales Higher Than in 1931

Motor truck sales in Eastern Canada in July totalled 463 compared with 837 in July, 1931, a drop of about 45 per cent. Chevrolet led in total sales with 157 followed by Ford with 139 and International with 49. Despite the large drop in sales heavy duty trucks were well maintained with International showing a larger total than in July, 1931.

Sales for the first seven months of the year totalled 4,632 as against 8,066 for the same period of 1931. Chevrolet is in first place in total sales taking the position occupied by Ford in 1931. Sales of the five leading makes are:

Truck Sales in Eastern Canada

	July 1932	7 mos. 1932	7 mos. 1931
Chevrolet	157	1,750	2,431
Ford	139	1,106	3,048
International	49	368	259
Dodge	25	280	460
G. M. C.	33	274	349

Roan Antelope Costs Show Marked Decline

In the three months ended June 30, 1932, Roan Antelope Copper Mines in Northern Rhodesia produced 6,175 tons of blister copper from 252,900 tons of ore milled. The ore milled averaged 3.78 per cent copper. Mining costs averaged 3.38s., milling costs 1.54s. and smelting costs £4.94 per long ton. Improved smelting efficiency dropped June smelting costs to £2.80 per short ton. All the blister copper production for the period was sold to the United Kingdom and Continental customers. The operating costs including freight, selling expense, royalties but before interest and depreciation averaged £25.666 per long ton of blister copper.

Find City License Fees Difficult to Collect in 'Peg

The City of Winnipeg is experiencing difficulty in collecting city license fees under the new by-law recently passed there. As a result, prosecution of automobile owners for failure to procure their plates within the prescribed time is being instituted.

Out of the 26,000 motorists in the city, only 15,175 have paid the tax. This is a special levy over and above provincial license fees.

Vulcan Oils Loss $20,426 In 18 Months

A financial statement by Vulcan Oils covering the 18 months period from January 1, 1931 to June 30, 1932 shows a loss of $20,426 was incurred after a write-off for depreciation of $20,084. This compares with a net loss of $2,819 after depreciation of $9,271 shown in their last financial statement covering the 30 months ended December 31, 1930. The balance sheet as at June 30, 1931, showed current assets of $42,011 as against current liabilities of $1,054 or a net working capital of $40,957. This compares with a working capital of $77,638 on December 31, 1930.

The company's operating income was from the sale of crude naptha from its Turner Valley Alberta property. Three wells have been drilled on the company's property in section 13, township 20, range 3, west of the 5th meridian, adjoining the holdings of Dalhousie and Royalite. Under the Alberta government conservation programme production from the company's wells will be further curtailed with a corresponding decrease in operating revenue in immediately succeeding months.

The annual meeting of the company is called for August 29 at Vulcan, Alberta.

BRITISH OFFER EMPIRE MINES A PREFERENCE

(Continued from page 9)

a subsidiary of Noranda Mines. In addition the Consolidated Mining & Smelting Co. has an inactive copper refinery of 20,000 tons annual capacity. In smelter capacity the standing of Canada's producers of blister copper in the order named is, International Nickel, Noranda, Branby, Hudson Bay, and Consolidated Smelters. Ranking third in copper output, producing concentrates which have been shipped to United States for smelting is the Britannia Mining & Smelting Co., of Britannia Beach, B.C. This company alone has no Canadian connection for the refining of its products.

While it will be seen from the foregoing that the new British preference will open up a vast market for copper producers in the Empire, Canada's refined copper capacity would more than take care of the requirements in 1929, a peak year. A factor in favor of Canada is that it is in a position to produce the refined metal whereas, at the present time, the Rhodesian producer must export to a foreign country for refining. Whether or not this Rhodesian blister copper can be refined in bond in foreign plants and still enjoy the British preference is not made clear, but in any event the situation will not prevail long as plans are already under way for the establishing of a huge copper refinery in England.

Greater Demand Foreseen

Nor is the present copper consumption in Great Britain altogether a criterion for future trade. Part of the huge industrialization scheme mooted in Great Britain, calls for the utilization of its coal for the generation of electric power at the mines for transmission to the large industrial centres. This in itself will give a tremendous impetus to copper consumption in Great Britain and to students of the situation it appears that such a programme is imminent and that Great Britain will follow in immediately succeeding years the lead of United States and Canada in their electrification programme.

With the current price of electrolytic copper in New York about 5½ cents per pound the equivalent selling price of Canadian copper in terms of present sterling exchange would be under 8½ cents per pound.

The inference is given that the new preference should mean increased prices for copper and consequent increased profits for the producer. Any increase in price will not be immediately entirely governed by the 4 cents preference as in the first place if prices were increased on Empire copper to just under the duty paid price of foreign copper into Great Britain, a complex situation would arise owing to limitations of the present British market and the necessity of gaining other world markets for the balance of the Empire production. With a price of 5½ cents per pound for copper in New York it appears that this will be the controlling or stabilizing price of copper throughout the world and Empire producers could not expect to obtain from Great Britain a higher price for their production than what they would receive in other world markets. The immediate hope for an increase in the price of Empire copper rests with an increase in New York copper.

Price Advance Imminent

At the time the 4 cents per pound duty was imposed by United States against foreign copper it was felt that an immediate increase was imminent for the United States copper consumer. Such a drastic manifestation of taking advantage of the newly imposed duty would doubtless have brought a protest from United States copper consumers, therefore producers are concerned at the present time in first liquidating the huge stocks of copper that had been overhanging the United States market and then let supply and demand gradually increase the price. Increased prices are foreshadowed as soon as the present stocks are liquidated.

Following closely on the heels of any increase of prices in United States for copper will doubtless be a general world advance in price of the commodity in which Canadian and other Empire producers will profit in a direct ratio to the proportion of trade that they are successful in corralling not only in Great Britain but in the other world markets where competition will be met from United States and South American producers.

British Lead Market Big

With respect to lead and zinc the 10 per cent ad valorem duty which has been effective since early in the year will continue. What Great Britain has to offer in the way of markets for lead and zinc was told in the above tabulations.

The United States, which in past years has been an important source for lead and zinc, can be expected to be practically eliminated, and instead Australia and Canada will enjoy this market. In so far as Canada is concerned the Consolidated Mining & Smelting Co. stands to profit most, being one of the leading lead and zinc producers of the world. In 1931 this one property supplied approximately 9 per cent of both the lead and zinc produced in the world.

The asbestos production of Canada at one time formed over 80 per cent of the world's output. In recent years the increasing amounts have been coming from Russia and South Africa, but under the new schedule of preference South Africa and Canada stand to profit, but here again Russia, in spite of the 10 per cent preference for Empire products, will be a dominating factor in establishing what the Britisher will pay for his asbestos.

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